UNIVERSITY OF MISSOURI SYSTEM

Fiscal Year 2013

Appropriations Request for Operations

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University of Missouri System

Fiscal Year 2013

UNIVERSITY OF MISSOURI SYSTEM

FY2013 APPROPRIATIONS REQUEST FOR OPERATIONS

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The University of Missouri System: Advancing Missouri

The University of Missouri is the state's public, research, land-grant University committed to serving the citizens of Missouri. Today, we are educating 17,000 more students than we did ten years ago, and are providing over $616 million in hospital health care, along with millions of dollars in free, uncompensated health and dental care services for indigent Missourians.

Our university is a major driver of the state's economy. Few private businesses create as much in-state economic activity as we do--directly, indirectly or induced. Increased state investment in the University will create and sustain jobs, salaries and tax revenues, in addition to assuring continued quality of education and availability of student financial aid. For example, in addition to educating students and providing healthcare, in the past year the university:

- was one of the largest non-governmental employers in the state, providing approximately 28,600 jobs—representing $1.6 billion in salaries/wages/benefits;
- conducted nearly $398 million in research and other activity, of which most sponsorship came from out of state;
- awarded $120 million for 390 construction contracts on university projects.

However, that is a small piece of the story. The university's direct activities also create a significant and beneficial ripple effect on the state's economy. In other words, there is also an indirect return on the state's investment in the university. Here are some of the more obvious sources of the indirect and unique impact of our university system on the state's economy:

- Our employees generated an estimated $48 million in state income taxes, and what they purchase results in additional sales tax revenues to the state;
- Similarly, the jobs, salaries and wages of the individuals and companies who do business with us also generate state income and sales taxes;
- Our 72,000 students—and their families and relatives who visit—also spend money off-campus and across the state;
- Based on a 2009 study, it is estimated that every job at one of our research parks and incubators generates an additional 2.57 jobs; and
- $398 million in research expenditures is estimated to generate an additional $374 million of spending in the state's economy.

Our foremost priority in the FY13 appropriations request for operations is the funding of the FY12 core state appropriation of $405.8 million as approved by the General Assembly and signed by the Governor. While the University understands the budget constraints that have resulted in spending restrictions of $10.1 million of the FY12 appropriation, a commitment by the state to fund at the highest level possible will support the university's distinctive ability to continue delivering a quality advanced education and cutting-edge research, while also advancing the state's economy. We are good stewards of the funds we receive and provide a tangible return to the state on its investment in the University.

Sincerely,

Stephen J. Owens
Interim President, University of Missouri System

Summaries

Executive Summary

The University of Missouri System's foremost priority in the FY13 request for operations is the funding of its FY12 core state appropriation of $405.8 million, as approved by the General Assembly and signed by the Governor. Although spending restrictions of 2.5% or $10.1 million were imposed to meet demands on the state's budget, it is critically important that the $405.8 million appropriated be maintained in FY13. The University's request encompasses new investments, which when combined with the core state appropriation, will sustain the high level of quality and competitiveness that currently exists; and better position the university to contribute to the future economy of Missouri and the welfare of its citizens. These investments support the university's strategic goal of maintaining its position as one of the top public research universities in the country.

The university's requests reflect the need to address funding issues resulting from several years of increased enrollment and decreased or stagnant state appropriations. We have fallen behind on competitive salaries for faculty. Our deferred maintenance and repair has grown to critical levels, historic equity-funding issues need to be addressed, and there continues to be a shortage of medical professionals, particularly in rural Missouri.

The investments will be funded through a partnership with the state, the university, donors, and its students. The request from the state for an additional $127.0 million would be coupled with university resources. These investments are:

Increase to the Core for Continuing Operations: State Request $16.4 million
The university is a people-driven institution. Three-fourths of the annual budget is devoted to compensation. Several years of minimal salary increases coupled with the continued rise of higher education salaries nationally have caused UM's market position to erode. As the state's only land-grant, doctoral-granting research institution, the university is obligated to recruit and retain top-notch faculty and staff, as well as provide faculty and students with state-of-the-art technology and infrastructure. Of the total $40.9 million need, the $16.4 million state request will help the university build a 3% salary and wage merit pool, cover a portion of benefit cost increases and provide a small amount for equipment, technology, infrastructure, and other on-going costs including unfunded mandates and compliance. In addition this increase would provide an inflationary increase to the annual budgeted investment for maintenance and repair of educational and general facilities.

Competitive Ranked Faculty Compensation: State Request $40.3 million
The university has identified the need for a $40.3 million addition to the annual merit pool to reach the mean pay range for faculty in our comparator groups. The request will be used to address competitive market pressures in recruiting and retaining the university's educators and researchers.

The state's share is $40.3 million. Rankings of faculty salaries at public Association of American Universities (AAU) and other comparators support the need for this additional investment.

Protecting the University's Infrastructure: State Request $27.0 million
The university is requesting state investment to protect the university's facilities and infrastructure through increased expenditures for maintenance and repair. The university's capital funding needs are limiting enrollment growth and the competitiveness of its four campuses. The university is reaching a "tipping point" in its ability to keep current facilities functional. Today, the university faces more than a $1 billion backlog in key renovation and repair needs. Financing the $39.0 million of investment will be impossible without additional state support.

Adjustment for Enrollment Growth: State Request $16.7 million

The university has identified the need for additional funding of $16.7 million to support the extraordinary student enrollment growth on the university's four campuses since FY01. The request is calculated based on enrollment growth at the university between fall 2000 and fall 2010, a time when state appropriations declined or were stagnant. Enrollment increases require additional investment in enrichment programs, to ensure the success of our students. The additional funding would be used to reduce class sizes by hiring additional faculty and increase student support services. To ensure the continued delivery of quality education for all students attending the University of Missouri a funding adjustment that acknowledges the increase in service volume is necessary.

St. Louis Equity Adjustment: State Request $1.9 million

According to a 2002 Coordinating Board for Higher Education study that evaluated full-time equivalent (FTE) funding relative to the mean and median of the appropriate classification peer group, the University of Missouri-St. Louis was identified as having a significant funding gap of $10.8 million in state appropriations. All but $2.2 million of the gap has been funded by special state appropriations and reallocations from UM System. The $1.9 million that we are requesting from the state, when added to the reallocation provided by the UM System, would reach the $10.8 million target.

Caring For Missourians: State Request $20.7 million

The University of Missouri is responsible to the state for providing access to quality educational experiences for Missouri's future health care providers. In FY2010 the University received a one-time appropriation of $24.3 million that allowed us to invest on a one time basis in the Caring for Missourian's initiative. We have made progress in this effort. Recurring state appropriations are needed to continue this effort.

Donor and State Partnerships: State Request $4.0 million

The university is requesting a $4.0 million increase in core operating appropriations for two initiatives to create partnerships with donors.

- *Endowed Professorships: State Request $2.0 million.* This program would be established by leveraging state resources in order to attract funding from external sources to create endowments for the purpose of recruiting and retaining top faculty. The program would be established to attract to the State of Missouri and the University of Missouri distinguished teachers and researchers who would promote academic excellence, perform cutting edge research, and contribute to the State's economic development initiatives.
- *Meeting the State's Workforce Needs: State Request $2.0 million.* This request is an effort to raise Missouri's failing national grade in science, technology, engineering and math (STEM) education by supporting K-12 and college education in these areas. Missouri ranks near the bottom of all states in the proportion of science and engineering degrees awarded. This request for state funds would leverage donor funds on a 1 to 1 match basis to create endowments to support undergraduate scholarships, loan forgiveness programs and other initiatives in the Science, Technology, Engineering, and Mathematics fields.

Summary UM Operations Core and Request for New Investments			
FY12 Operating Appropriation Base (Core Total)			**$405.8**
Increase to the Core for Continuing Operations		**$16.4**	
Competitive Ranked Faculty Compensation		**40.3**	
Protecting the University's Infrastructure - on-going M&R		**27.0**	
Adjustment for Enrollment Growth		**16.7**	
St. Louis Equity Adjustment		**1.9**	
Caring for Missourians		**20.7**	
Donor and State Partnerships			
Endowed Professorships	$2.0		
Meeting the State's Workforce Needs	*2.0*		
Total Donor and State Partnerships		**4.0**	
Total New Operating Investments			**$127.0**
Total Core and New Operating Investments			**$532.8**
Dollars in Millions			

In summary, the operations request from the State for an additional $127.0 million combined with the FY12 appropriated core of $405.8 million results in a total request for operations of $532.8 million. The state funds would be coupled with University resources including internal efficiencies and reallocation and an increase in tuition and fees to meet the University's funding needs.

University of Missouri Health System

Missouri Rehabilitation Center – Restoration of the Core & Increase for Sustaining Quality and Service: State Request $0.4 million

The Missouri Rehabilitation Center (MRC) is a long-term acute care hospital that provides an array of experts and programs for patients recovering from serious illnesses and injuries. Without additional funding, MRC will not be able to cover inflation for FY2013. MRC continues to experience increases in the cost of goods and services at a time when reimbursement for services has declined due to serving a disproportionate share of Missouri's Medicaid and indigent clients. To sustain MRC at its current operational levels and to continue to provide care to Missourians who are primarily Medicaid recipients or indigent, an adjustment of $394,826 to MRC's base funding level of $10.3 million is required.

Other Curator Programs

The Missouri Kidney Program, Missouri Telehealth Program, MOREnet, the State Historical Society of Missouri, Alzheimer's Research, Spinal Cord Injury, and Seminary Fund make up the Other Curator Programs. As with our other operating appropriations our first goal in the FY2013 appropriation request is to maintain the FY2012 core appropriations. In addition, we will ask for slight increases which will be discussed for each program.

Program	FY12 Core Appropriation
Missouri Kidney Program	$1,500,000
State Historical Society	1,227,605
MOREnet	50,000
Missouri Telehealth	437,640
Total Recurring Requests	**$3,215,245**

Restoration of the Core for the Missouri Kidney Program: State Request $1.4 million

Life-threatening renal (kidney) disease impacts citizens throughout the State of Missouri, and the Missouri Kidney Program (MoKP) eases this chronic disease burden by touching almost every county in the State of Missouri. A request is made for the restoration of the $1,380,299 core cut in FY2012 from state general revenue funds.

Sustaining Quality and Service: State Request $0.2 million
Requests for funds include $195,804, to support an increase to the salary and wage pool and the associated benefits plus inflationary increases in other expenses incurred in providing services to the citizens of Missouri. If these funds are not appropriated, services to the citizens of Missouri will continue to decline, and in some cases be eliminated.

Program	FY13 Increase
Missouri Kidney Program	$91,241 *
State Historical Society	89,170 *
Missouri Telehealth	15,393 *
Total Recurring Requests	**$195,804**

* FY13 request to cover pay plan & inflationary increase.

MOREnet Rural Initiative: State Request: $0.3 million
MOREnet has requested $316,718 for an initiative targeted at high cost broadband service areas generally found in rural locations. The requested funds will ensure that all MOREnet members pay connectivity costs that are comparable to the median costs across the state of Missouri. Implementing these changes will help to create parity in cost for K-12 and higher education communities that still lack affordable broadband connectivity options compared to other communities in Missouri.

Requests in Accordance with Legislative Requirements: State Request $6.7 million
Requests are made for the Alzheimer's Research Fund, Spinal Cord Injury Research Fund, Seminary Fund, and Missouri Returning Heroes Act in accordance with legislative requirements. Of these four requests only two, Missouri Returning Heroes and Alzheimer's Research are funded from state general revenue. The others have special fund sources that cannot be used for any other purpose.

Program	FY13 Request
Missouri Returning Heroes	$1.4
Seminary Fund	4.3
Spinal Cord Injury Research	0.6
Alzheimer's Research	0.4
Total One-Time Requests	**$6.7**

Dollars in Millions

In summary, the MRC and other Curator programs request from the State for an additional $9.1 million combined with the FY12 core of $13.6 million results in a total request for these programs of $22.6 million.

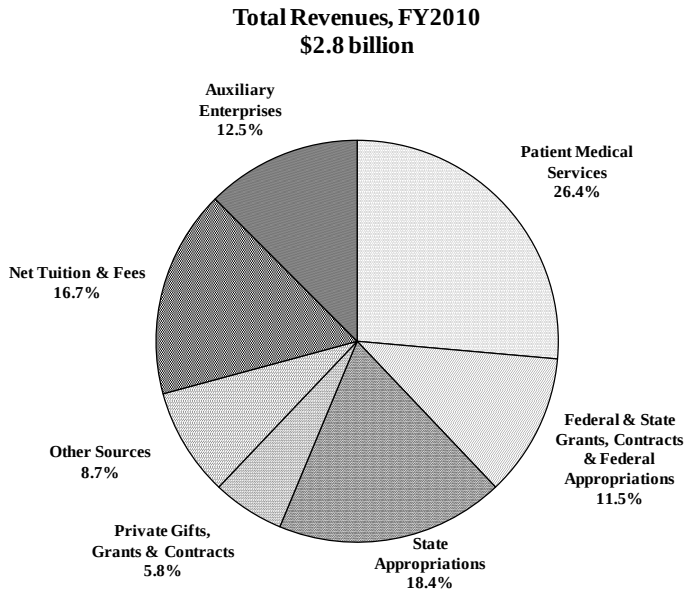
Summary Increase MRC, Other Curator & Legislative Requirements

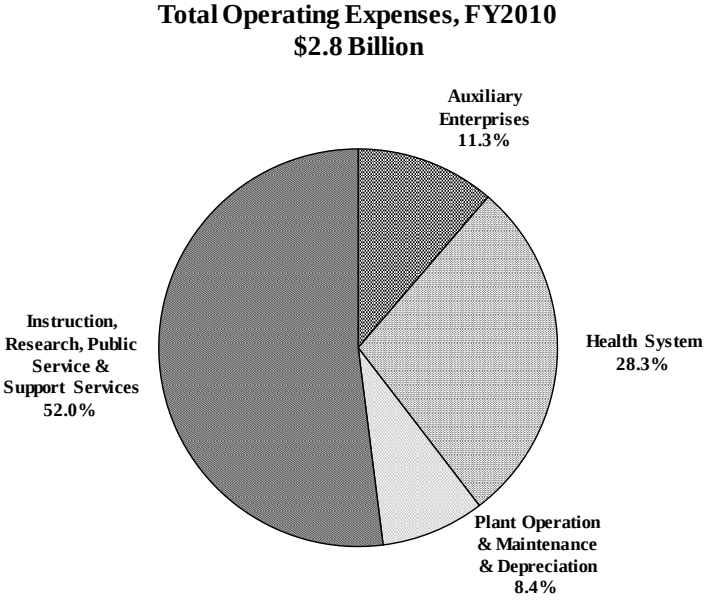
Program	FY13 Increase
Missouri Rehabilitation Center (MRC)	$394,826 *
Missouri Kidney Program - Restoration of Core	1,380,299
Missouri Kidney Program	91,241 *
State Historical Society	89,170 *
Missouri Telehealth	15,393 *
MOREnet Rural Initiative	316,718
Total Recurring Requests	**$2,287,647**
Missouri Returning Heroes	$1,418,780
Seminary Fund	4,275,000
Spinal Cord Injury Research	625,000
Alzheimer's Research	447,480
Total One-Time Requests	**$6,766,260**
Total Recurring and One-Time Requests	**$9,053,907**

* FY13 request to cover pay plan & inflationary increase.

Statistical Highlights

Campuses	Columbia, Kansas City, Rolla, and St. Louis
Enrollment, Fall 2010	
MU:	32,341
UM-Kansas City:	15,259
MO Science & Technology:	7,205
UM-St. Louis:	16,791
Total enrollment:	71,596
(75 percent undergraduate, 25 percent graduate and first professional students)	
Total degrees granted, FY10:	14,896
Total faculty, Fall 2010:	7,814
(67 percent full-time, 33 percent part-time)	
Total staff, Fall 2010:	16,718
(75 percent full-time, 25 percent part-time)	
Total graduate assistants, Fall 2010:	4,080
Total student financial aid:	$794,200,000
(in grants, loans, work programs, scholarships, fellowships and other aid)	
Net book value of capital assets:	
(as of June 30, 2010)	
Land holdings:	19,429 acres
Grants and contracts expenditures, FY10	
Federal:	$184 million
Other:	$134 million
(includes state, industry, not-for-profit organizations and other)	
Total grants and contracts:	$318 million
Total gifts, FY10:	$92.8 million
(includes unrestricted private gifts, capital gifts and private gifts for endowment)	
Endowment & similar funds	
(stated at market as of June 30, 2010)	
Market value:	$895,871,870
Endowment per student:	$16,811



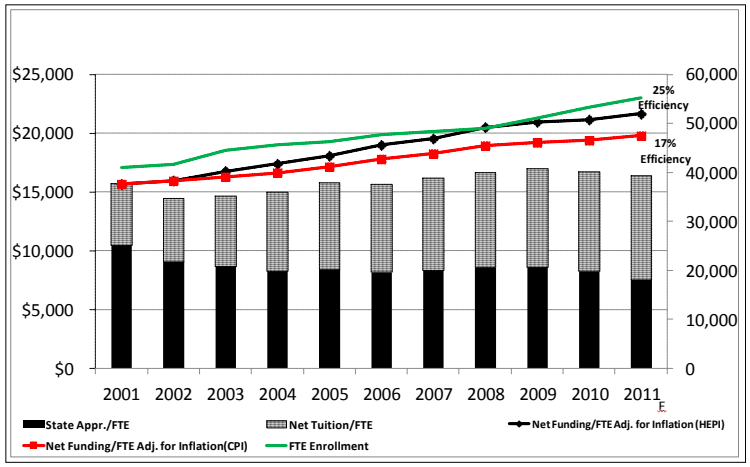


Economic Development: Investing in Missouri

- With $2.79 billion in total revenues, UM would have been the 18th largest publicly-held Missouri-headquartered company in the state in 2010.
- In 2011 the university conducted $398 million in research and other activity, of which most sponsorship came from out of state.
- UM was issued 34 U.S. patents and filed 57 new U.S. patent applications in 2010.
- Seven business startups were created around UM technologies in 2010 and the university earned $10.1 million in licensing income.

Funding Efficiency

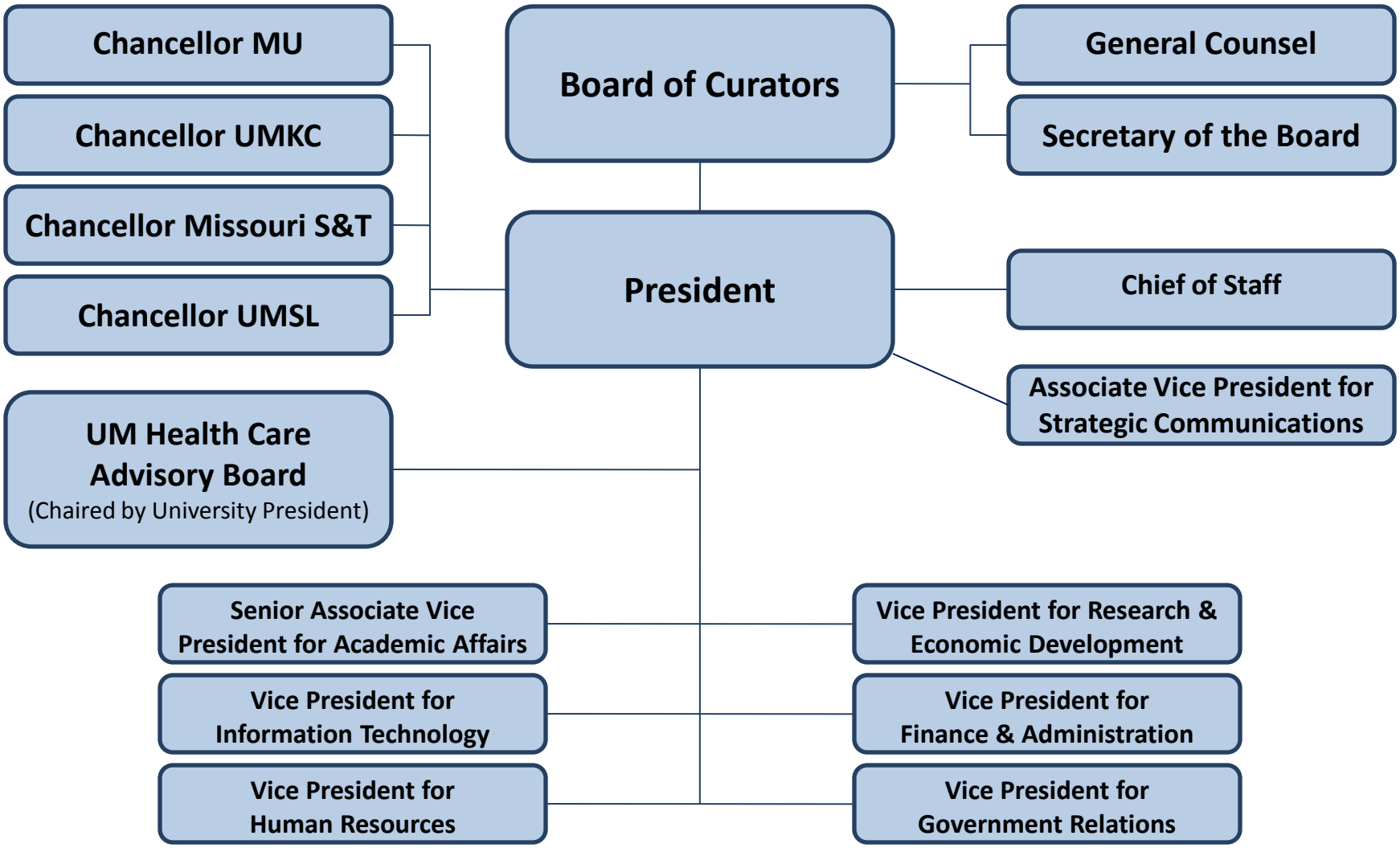
The top line on the graph below shows that while enrollment has increased from 2001 to 2011 the funding from appropriations and fees for FTE students as shown by the bars has remained fairly level. However, the second and third lines show we have fallen behind when the dollars are adjusted for inflation (CPI) and for Higher Education inflation (HEPI), and shows that we have become 25 percent more efficient in our operations.



UM Statewide Impact

Students from Missouri, 2010:	57,101
Alumni in Missouri, 2010:	220,618
Selected school alumni:	
Medicine:	3,526
Nursing:	7,416
Other Health Professions:	3,239
Veterinary Medicine:	1,474
Dentistry:	2,209
Pharmacy:	1,409
Engineering:	23,618
Optometry:	454
Agriculture:	11,598
Law:	7,567
Employees & retirees living in Missouri, 2010:	31,430
State tax revenue generated in Missouri by University employees:	$48 million
Construction projects & contracts awarded in Missouri in 2010:	390 projects for $120 million
Extension impact, 2010:	1,082,670 contacts MU Extension Centers operate in 111 of the state's 114 counties.
MU Health System impact, 2010:	532,239 clinic visits, 127,822 inpatient days of care, with $39 million in uncompensated care.
MOREnet impact, 2010:	65 higher education institutions and 519 school districts served.

UM Organizational Chart



UNIVERSITY OF MISSOURI SYSTEM
SUMMARY OF FY2013 APPROPRIATIONS REQUEST FOR OPERATIONS

	DECISION ITEM NUMBER	STATE APPROPRIATIONS
FY2013 APPROPRIATION BASE (Core) Total		$405,834,997
RECURRING INCREASE REQUESTED:		
Increase to the Core for Continuing Operations	1	
Annual Merit Increase in Compensation & Benefit Changes		$13,300,000
Other Mandatory On-Going Costs		3,100,000
Required Investment for Decision Item 1		$16,400,000
Competitive Ranked Faculty Compensation	2	40,300,000
Protecting the University Infrastructure Through Increased M&R Investment	3	27,000,000
Support for FY2001-FY2011 Enrollment Growth	4	16,700,000
St. Louis Equity Adjustment	5	1,863,729
Caring for Missourians	6	20,700,000
Donor and State Partnerships	7	
Endowed Professorships		$2,000,000
Meeting the State's Workforce Needs		2,000,000
Required Investment for Decision Item 7		$4,000,000
Required Investment for New Decision Items		$126,963,729
Total Recurring Increase Requested		$532,798,726
TOTAL RECURRING REQUEST FY2013		$532,798,726

UNIVERSITY OF MISSOURI SYSTEM
EDUCATIONAL AND GENERAL CURRENT FUNDS
FORM 1: EXPENDITURES

	EDUCATION AND GENERAL EXPENDITURES (EXCLUDE EXPENDITURES ON AUXILIARIES)	Actual Unrestricted Expenditures FY 2010	Actual Restricted Expenditures FY 2010	FY 2011 Estimated Unrestricted Education and General Operating Funds		Estimated Unrestricted Expenditures FY 2011	Estimated Restricted Expenditures FY 2011	FY 2012 Projected Unrestricted Education and General Operating Funds		Projected Unrestricted Expenditures FY 2012	Projected Restricted Expenditures FY 2012
				Personal Service	Expense & Equip.			Personal Service	Expense & Equip.		
1	GENERAL INSTRUCTION										
1.1	On-campus Instruction for Credit			449,189,989	26,221,531	475,411,520		473,670,840	45,508,699	519,179,539	
1.3	Community Education			8,695,387	6,745,334	15,440,721		9,242,277	7,979,055	17,221,332	
1.4	Off-campus Instruction for Credit			10,043,494	5,458,486	15,501,980		10,043,679	4,879,602	14,923,281	
	TOTAL INSTRUCTION	496,564,415	39,348,215	467,928,870	38,425,351	506,354,221	44,205,062	492,956,796	58,367,356	551,324,152	51,523,452
2	RESEARCH										
2.1	Institutes and Research Centers			31,389,168	9,711,663	41,100,831		32,670,827	11,710,119	44,380,946	
2.2	Individual or Project Research			12,769,372	7,333,511	20,102,883		10,519,878	7,049,246	17,569,124	
	TOTAL RESEARCH	58,556,474	158,338,674	44,158,540	17,045,174	61,203,714	156,992,852	43,190,705	18,759,365	61,950,070	161,633,088
3	PUBLIC SERVICE										
3.2	Community Services			9,747,128	7,294,731	17,041,860		8,739,852	5,909,246	14,649,098	
3.3	Cooperative Extension Services			33,220,725	4,075,613	37,296,338		35,056,734	4,940,168	39,996,902	
3.4	Public Broadcasting Services			907,449	374,841	1,282,290		952,135	171,675	1,123,810	
	TOTAL PUBLIC SERVICE	57,699,754	88,903,370	43,875,302	11,745,186	55,620,488	86,760,471	44,748,721	11,021,089	55,769,810	81,919,905
4	ACADEMIC SUPPORT										
4.1	Libraries			19,045,232	20,666,725	39,711,957		19,564,047	19,765,517	39,329,564	
4.2	Museums and Galleries			1,257,519	99,817	1,357,335		1,124,383	95,942	1,220,325	
4.3	Educational Media Services			5,175,971	325,883	5,501,854		5,849,335	724,319	6,573,654	
4.5	Ancillary Support			20,914,209	-2,558,949	18,355,259		22,415,350	4,887,061	27,302,411	
4.6	Academic Admin. & Personnel Development			48,355,455	8,083,907	56,439,361		50,107,149	9,600,094	59,707,243	
	TOTAL ACADEMIC SUPPORT	117,950,246	5,719,962	94,748,385	26,617,382	121,365,767	5,314,798	99,060,264	35,072,933	134,133,197	5,037,003
5	STUDENT SERVICE										
5.1	Student Service Administration			10,821,433	3,860,928	14,682,360		11,622,298	4,736,948	16,359,246	
5.2	Social and Cultural Development			7,311,062	7,305,107	14,616,169		7,543,620	7,306,003	14,849,623	
5.3	Counseling and Career Guidance			6,741,598	968,719	7,710,317		7,501,891	800,565	8,302,456	
5.4	Financial Aid Administration			4,343,300	400,415	4,743,715		4,867,460	369,323	5,236,783	
5.5	Student Health Services			804,616	411,505	1,216,121		854,888	226,650	1,081,538	
5.6	Intercollegiate Athletics			0	0	0		0	0	0	
5.7	Student Admissions and Records			13,267,838	4,230,453	17,498,291		13,615,944	3,491,204	17,107,148	
	TOTAL STUDENT SERVICE	59,187,283	10,483,580	43,289,846	17,177,126	60,466,973	9,251,579	46,006,101	16,930,693	62,936,795	3,427,517
6	INSTITUTIONAL SUPPORT										
6.1	Executive Management			18,098,491	647,755	18,746,247		21,126,475	-295,142	20,831,333	
6.2	Fiscal Operations			13,015,603	18,827,114	31,842,717		17,818,510	3,790,754	21,609,264	
6.3	General Admin. & Logistical Services			65,185,596	-37,614,920	27,570,676		64,882,940	-37,228,847	27,654,092	
6.5	Public Relations and Development			24,833,666	6,759,400	31,593,066		26,697,962	5,822,867	32,520,829	
	TOTAL INSTITUTIONAL SUPPORT	100,481,825	2,191,650	121,133,357	-11,380,651	109,752,706	3,167,060	130,525,887	-27,910,368	102,615,518	1,646,542
7	OPERATION AND MAINTENANCE OF PLANT										
7.1	General Physical Plant			27,442,687	-4,785,307	22,657,380		28,949,171	-2,591,262	26,357,909	
7.2	Fuel and Utilities			12,657,129	15,944,765	28,601,894		13,596,402	16,106,502	29,702,904	
7.3	Maintenance and Repair			5,025,386	41,499,605	46,524,992		4,865,465	46,860,539	51,726,004	
	TOTAL OPERATION AND MAINTENANCE OF PLANT	87,891,349	548,428	45,125,203	52,659,063	97,784,266	389,345	47,411,038	60,375,779	107,786,817	429,425
8	SCHOLARSHIPS AND FELLOWSHIPS										
8.1	Scholarships				95,674,381	95,674,381			107,370,693	107,370,693	
8.2	Fellowships				41,027,504	41,027,504			43,807,502	43,807,502	
	TOTAL SCHOLARSHIPS/FELLOWSHIPS	131,782,484	87,889,750	0	136,701,886	136,701,886	98,003,526	0	151,178,195	151,178,195	90,730,086
9	TRANSFERS										
9.0	Internal Transfers				13,871,291	13,871,291			11,078,042	11,078,042	
9.1	Mandatory Transfers (decrease)/increase				15,486,165	15,486,165			17,686,188	17,686,188	
9.2	Nonmandatory Transfers (decrease)/increase				52,591,749	52,591,749			43,547,761	43,547,761	
	TOTAL TRANSFERS	87,552,165	2,368,666	0	81,949,206	81,949,206	2,695,383	0	72,311,990	72,311,990	-2,678,204
	TOTAL E&G EXPENDITURES AND TRANSFERS	1,197,665,995	395,792,295	860,259,503	370,939,722	1,231,199,225	406,780,076	903,899,511	396,107,032	1,300,006,544	393,668,814

UNIVERSITY OF MISSOURI SYSTEM
EDUCATIONAL AND GENERAL UNRESTRICTED CURRENT FUNDS
FORM 1-A: EXPENDITURES FOR ON CAPMUS INSTRUCTION (PCS 1.1) BY COST CENTER

No.	INSTRUCTIONAL COST CENTER (EXCLUDE EXPEND. ON AUXILIARIES)	Actual Unrestricted Expenditures FY 2010	Estimated Unrestricted Expenditures FY 2011	Projected Unrestricted Expenditures FY 2012
1	Agriculture, Food & Nat Resources	14,252,050	14,211,363	13,109,281
2	Arts & Sciences	141,718,459	144,385,200	145,543,638
3	Biological Sciences	6,577,707	7,032,447	6,507,633
4	Business/Public Affairs	31,927,985	34,314,760	37,386,606
5	Computing & Engineering/ Mgmt. & Info Systems	8,247,184	8,029,942	8,106,063
6	Conservatory of Music	6,314,305	5,322,487	5,596,223
7	Dentistry	15,799,947	16,515,982	17,800,428
8	Education	25,322,385	25,584,082	30,311,977
9	Engineering	46,813,657	46,467,051	44,979,743
10	Extension	1,437,485	1,517,440	732,543
11	Fine Arts & Communications	9,418,590	9,299,388	9,286,733
12	Graduate School	5,397,325	5,396,009	5,454,495
13	Health Professions	6,465,290	6,587,230	7,837,572
14	Human Environmental Sciences	7,995,938	8,154,326	8,727,622
15	Journalism	8,320,300	8,326,598	8,603,812
16	Law	12,013,563	12,657,870	13,164,210
17	Medicine	59,951,614	55,543,729	80,335,768
18	Nursing	12,875,847	12,560,747	14,626,892
19	Optometry	4,527,440	4,451,799	5,351,127
20	Pharmacy	7,477,719	8,058,311	9,271,023
21	Veterinary Medicine	16,017,794	18,175,509	16,000,316
22	Instructional Information Access and Technology	11,639,217	13,261,172	12,319,351
23	Honors College	1,619,896	1,638,842	1,668,009
25	Miscellaneous Instruction *(1)*	5,319,690	7,919,235	16,458,474
	TOTAL	$467,451,385	$475,411,521	$519,179,539

(1) Includes instructional portion of OPEB costs booked centrally of $2.2 million in FY10 and $3.7 million in FY11. FY12 includes $11 million in academic funding allocated as costs are incurred.

UNIVERSITY OF MISSOURI SYSTEM
EDUCATIONAL AND GENERAL CURRENT FUNDS
FORM 2: REVENUES

EDUCATION AND GENERAL RESTRICTED AND UNRESTRICTED REVENUES (EXCLUDE EXPENDITURES ON AUXILIARIES)	**Actual Unrestricted Revenue FY 2010**	**Actual Restricted Revenue FY 2010**	**Estimated Unrestricted Revenue FY 2011**	**Estimated Restricted Revenue FY 2011**	**Projected Unrestricted Revenue FY 2012**	**Projected Restricted Revenue FY 2012**
Student Education Fees (Excluding Off-Campus Credit)	600,821,033	273,772	639,282,089	431,564	678,593,083	200,000
Student Education Fees (Off-Campus Credit)	29,402,910		31,705,590		32,550,636	
SUBTOTAL OF TUITION AND FEES	630,223,943	273,772	670,987,679	431,564	711,143,719	200,000
Federal Appropriations	16,435,767		21,222,964		16,572,476	
Federal Grants and Contracts		232,005,920		253,754,126		243,173,000
Federal Vocational Reimbursement						
SUBTOTAL OF FEDERAL SOURCES	16,435,767	232,005,920	21,222,964	253,754,126	16,572,476	243,173,000
State Grants and Contracts		54,738,423		53,059,350		51,000,000
State Vocational Reimbursement						
SUBTOTAL OF STATE GRANTS/REIMBURSEMENT	0	54,738,423	0	53,059,350	0	51,000,000
Local Tax Revenue						
Local Grants and Contracts		11,455,886		4,315,785		4,250,000
Recovery of Indirect Costs	52,042,046	-51,925,052	54,796,688	-54,734,649	52,950,000	-52,950,000
Private Gifts, Grants and Contracts	1,496,966	101,351,741	1,529,159	109,227,799	1,549,057	100,627,563
Investment Income	54,134,359	2,261,941	62,980,212	2,020,910	19,621,773	2,041,968
Endowment Income	-4,452,532	35,595,525	14,421,255	36,135,428	8,953,488	34,978,473
Sales & Services of Educational Activities	45,051,443	139,651	45,877,081	180,401	45,489,973	189,313
Intercollegiate Athletic Income						
Other Sources	45,423,592	-1,159,579	41,635,509	6,688,487	38,091,061	7,245,857
SUBTOTAL OF TOTAL LOCAL REVENUES/OTHER	193,695,874	97,720,113	221,239,904	103,834,161	166,655,352	96,383,174
TRANSFERS FROM OTHER FUNDS						
State Appropriations for RTEC Distributions						
State Appropriations (Education & General Operating)	461,481,733	11,240,296	415,118,932	4,282,234	405,634,997	2,912,640
SUBTOTAL STATE APPROPRIATIONS	461,481,733	11,240,296	415,118,932	4,282,234	405,634,997	2,912,640
TOTAL EDUCATION & GENERAL REVENUE	$1,301,837,317	$395,978,524	$1,328,569,479	$415,361,435	$1,300,006,544	$393,668,814

Note: The FY12 budget does not include an amount for unrealized gains and lossed which totalled $36.9 million in FY2011

UNIVERSITY OF MISSOURI SYSTEM
UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS
FORM 3: PERSONAL SERVICE - TOTAL

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)	**Actual Unrestricted Expenditures FY 2010**	**FTE**	**Estimated Unrestricted Expenditures FY 2011**	**FTE**	**Projected Unrestricted Expenditures FY 2012**	**FTE**
Professors	107,323,786	875.40	109,195,070	890.20	116,000,000	900.00
Associate Professors	79,255,951	938.00	83,904,624	981.30	89,000,000	990.00
Assistant Professors	67,559,072	943.40	71,003,049	969.80	75,400,000	980.00
Instructors	9,582,924	230.30	11,762,921	329.20	12,900,000	340.00
Lecturers						
Other Faculty	82,555,310	2,628.40	82,357,506	2,673.80	85,000,000	2,680.00
Executive/Administrative/Managerial	94,303,835	1,014.90	92,952,073	985.20	95,275,000	985.00
Other Professional	84,034,299	1,648.40	86,212,166	1,656.80	88,525,000	1,660.00
Technical and Paraprofessionals	29,957,927	868.30	29,843,153	852.40	30,600,000	855.00
Clerical and Secretarial	62,515,428	1,959.10	60,186,631	1,859.70	61,700,000	1,860.00
Skilled Crafts	20,041,644	438.80	19,113,290	416.40	19,500,000	416.00
Service/Maintenance	21,820,754	805.90	21,357,887	790.50	21,800,000	790.00
Students	9,091,579	1,284.80	9,568,252	1,313.00	9,809,962	1,314.00
Summer Session						
Staff Benefits (1)	170,166,511		182,802,879		198,389,549	
TOTAL PERSONAL SERVICES	838,209,020	13,635.70	860,259,501	13,718.30	903,899,511	13,770.00

(1) FY11 data is estimated. Some year-end closing entries related to benefit costs have been projected.

(2) FY10 and FY11 FTE data are based on 11/1 census dates and includes only filled positions. The FY12 data includes vacant positions that are currently funded which may or may not be filled during the year.

Core Programs

UNRESTRICTED EDUCATIONAL AND GENERAL

CORE BUDGET REQUEST ANALYSIS
FORM 4

Department: **Higher Education – Unrestricted**
Level 2: **University of Missouri System**

CORE

The University of Missouri System's foremost priority in the FY2013 request for operations is the funding of its FY2012 core state appropriation of $405.8 million, as approved by the General Assembly and signed by the Governor. While the University understands the demands on the state budget requiring the $10.1 million spending restriction imposed, it is critically important that the FY2013 core begin at $405.8 million as approved.

MISSION STATEMENT

University of Missouri
The mission of the University of Missouri, as a land-grant university and Missouri's only public research and doctoral-level institution, is to discover, disseminate, preserve, and apply knowledge. The university promotes learning by its students and life-long learning by Missouri's citizens, fosters innovation to support economic development, and advances the health, cultural, and social interests of the people of Missouri, the nation and the world.

University of Missouri-Columbia (MU)
Our distinct mission, as Missouri's only state-supported member of the Association of American Universities, is to provide all Missourians the benefits of a world-class research university. We are stewards and builders of a priceless state resource, a unique physical infrastructure and scholarly environment in which our tightly interlocked missions of teaching, research, service and economic development work together on behalf of all citizens. Students work side by side with some of the world's best faculty to advance the arts and humanities, the sciences, and the professions. Scholarship and teaching are daily driven by a sense of public service – the obligation to produce and disseminate knowledge that will improve the quality of life in the state, the nation, and the world.

University of Missouri-Kansas City (UMKC)
The University of Missouri-Kansas City's mission is to lead in life and health sciences; to deepen and expand strength in the visual and performing arts; to develop a professional workforce and collaborate in urban issues and education; and to create a vibrant learning and campus life experience.

Missouri University of Science and Technology (MO S&T)
Missouri University of Science and Technology integrates education and research to create and convey knowledge to solve problems for our state and the technological world.

University of Missouri-St. Louis (UMSL)
The University of Missouri-St. Louis provides excellent learning experiences and leadership opportunities for a diverse student body. Outstanding faculty and staff, innovative research, and creative partnerships foster synergies that advance the welfare of our stakeholders and benefit the global society.

DESCRIPTION

The University of Missouri was founded in 1839 as the first state university west of the Mississippi River. With passage of the Morrill Act by Congress in 1862, the university became a land-grant institution. The university includes four campuses, University of Missouri Health Care, and a university-wide administrative unit. All instructional and research programs are conducted on the campuses, while system administration provides support and administrative services. University of Missouri Extension disseminates information regarding the outcomes of instruction and research to the general public. The campuses are headed by Chancellors, who report to the President. The President is responsible to the Board of Curators, which is the University's governing body appointed by the Governor and confirmed by the Senate.

Today, the University of Missouri is one of the nation's largest higher education institutions, almost 72,000 students on four campuses and an extension program with activities in every county of the state. The university continues to have record enrollments. In fall 2010, the total enrollment was 71,596 with 18,238 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 5,240. In 2010-11, the campuses granted 15,878 degrees.

The Columbia campus offers academic programs through 15 schools and colleges. In fall 2010, the total enrollment was 32,341 with 7,507 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 3,081. In 2010-11, the campus granted 7,654 degrees. The Kansas City campus offers academic programs through 12 schools and colleges. Its fall 2009 total enrollment was 15,259, which included 5,409 graduate and professional students. The campus employed 1,239 full-time teaching and research staff. In 2010-11, the campus awarded 3,391 degrees. The Missouri S&T campus offers academic programs through 20 departments. In fall 2010, its total enrollment was 7,205 students, which included 1,702 enrolled in graduate programs. Full-time teaching and research staff numbered 368. In 2010-11, the campus awarded 1,811 degrees. The St. Louis campus offers academic programs through eight schools and colleges, and had a fall 2010 total enrollment of 16,791, which included 3,620 graduate and professional students. The campus employed 552 full-time teaching and research staff and awarded 3,022 degrees in 2010-11.

The university's primary responsibility is to serve students and citizens of Missouri, although the university enrolls students from other states and countries to contribute to greater world understanding and to provide a richer learning environment for Missouri residents. The university is also the only public institution in the state which emphasizes basic and applied research and doctoral education as major academic missions. This emphasis on advanced education and research attracts faculty at the forefront of knowledge in their disciplines. As part of an international research community, the university engages in research and creative programs to improve the quality of life and to contribute to a higher standard of living throughout the world.

The university has the unique responsibility to the state of providing access to quality educational experiences for Missouri's future health care providers. In addition, as part of a land-grant university, University of Missouri Health Care's core mission is to enhance the health of all people, especially Missourians. Through exceptional clinical service, University of Missouri Health Care supports the education and research missions of the University of Missouri. Their vision: Through discovery and innovation, University of Missouri Health Care will be the health system people choose for exceptional service and exemplary health care.

The university's four campuses are quite diverse in their missions, clientele served, and areas of programmatic strength. This diversity enhances the university's ability to respond to the educational needs of Missourians and provides opportunities for cooperative programs. In serving the needs of its clientele, the university emphasizes its unique capabilities as Missouri's largest and most comprehensive public institution of higher education.

In 2003, the Board of Curators officially added economic development to teaching, research, and service as primary missions of the university. Given the important role of higher education in the 21st century, the University of Missouri also recognizes the growing obligation to convert its research into results for the public good. The university now feeds a pipeline of scientific and technological innovation for our knowledge-based economy, and our role is critical to the economic future of the institution, state, and nation.

The university has the responsibility to bring its unique educational programs and problem-solving capabilities to Missouri citizens throughout the state. University of Missouri Extension programs originating from each campus and through extension centers in each county are directed to deal with locally identified issues where higher education resources can assist.

The university recognizes that no single institution in the state can address all of the higher education needs of Missouri. Thus, the university, through its planning and budgeting processes, is identifying those programs and services of highest priority to the state and is allocating resources to enhance and strengthen these programs.

III. Performance & Activity Measures

Total Off-campus FTE Enrollment (Fall Semester)	FY 2010 Actual	FY 2011	FY 2012 PROJ.	FY 2013 PROJ.
Numerical Enrollment at Off-campus Sites	3,033	3,036	3,666	3,654

Total On-campus FTE Enrollment (Fall semester)	FY 2010 Actual	FY 2011	FY 2012 PROJ.	FY 2013 PROJ.
Undergraduates	41,974	43,738	44,823	45,423
Graduates	8,401	8,570	8,567	8,761
First Professional	2,917	2,964	3,233	3,265
TOTAL FTE Enrollment	53,292	55,272	56,623	57,449

Number of Degrees/Certificates	FY 2010 Actual	FY 2011	FY 2012 PROJ.	FY 2013 PROJ.
Bachelor	9,605	9,993	10,241	10,378
Masters and Graduate Certificates	4,251	4,475	4,473	4,574
Doctoral	519	544	544	556
First Professional Degrees	800	866	945	954
TOTAL	15,175	15,878	16,203	16,462

Total Credit Hour Activity for Academic Programs (12-month instructional activity)				
	FY 2010 Actual	FY 2011 est.	FY 2012 PROJ.	FY 2013 PROJ.
Undergraduate programs	1,282,551	1,370,644	1,404,645	1,423,448
Graduate programs	233,131	258,024	257,920	263,768
First Professional	118,852	125,836	137,256	138,615
TOTAL Credit Hours	1,634,534	1,754,504	1,799,821	1,825,831

Institutional Scholarships/Fellowships/Grants:	FY 2010 Actual	FY 2011 est.	FY 2012 PROJ.	FY 2013 PROJ.
Undergraduate				
a. Number of Need-based Scholarships awarded	5,018	5,229	5,359	5,430
Dollar amount awarded	$10,213,010	$10,642,222	$10,906,222	$11,052,212
b. Number of Merit-based Scholarships awarded	15,389	16,036	16,434	16,654
Dollar amount awarded	$59,968,381	$62,488,613	$64,038,756	$64,895,978
c. Number of Athletic Scholarships awarded	1,241	1,293	1,325	1,343
Dollar amount awarded	$13,092,781	$13,643,018	$13,981,458	$14,168,614
d. Number of Tuition and Fee Remissions or Waivers	2,342	2,440	2,501	2,534
Dollar amount awarded	$9,513,309	$9,913,115	$10,159,028	$10,295,017
e. Number of Other Scholarships awarded	1,883	1,962	2,011	2,038
Dollar amount awarded	$3,634,107	$3,786,834	$3,880,773	$3,932,721

III. Performance & Activity Measures (con't.)

Graduate				
a. Number of Need-based Scholarships awarded	648	661	661	676
Dollar amount awarded	$ 1,309,899	$ 1,336,250	$ 1,335,713	$ 1,366,001
b. Number of Merit-based Scholarships awarded	3,603	3,675	3,674	3,757
Dollar amount awarded	$ 16,822,996	$ 17,161,418	$ 17,154,530	$ 17,543,515
c. Number of Athletic Scholarships awarded	48	49	49	50
Dollar amount awarded	$ 396,407	$ 404,381	$ 404,219	$ 413,385
d. Number of Tuition and Fee Remissions or Waivers	5,942	6,062	6,059	6,196
Dollar amount awarded	$ 47,301,692	$ 48,253,244	$ 48,233,875	$ 49,327,596
e. Number of Other Scholarships awarded	1,514	1,544	1,544	1,579
Dollar amount awarded	$ 3,759,821	$ 3,835,456	$ 3,833,916	$ 3,920,852
Total Number of Scholarships Awarded (Undergraduate and Graduate)	37,628	38,952	39,616	40,257
Total Dollar Amount of Scholarships Awarded (Undergraduate and Graduate)	$ 166,012,403	$ 171,464,552	$ 173,928,491	$ 176,915,891

IV. GROSS SQUARE FOOTAGE (Physical Plant)

Indicate the total nonauxiliary gross square footage to be maintained by your institutuion during FY 2012.

Square feet 14,080,000 *

* this is an estimated number

List all new construction or razing of buildings that is to be completed in FY 2011 that will change the gross square footage data provided above. Indicate whether the change is an increase or decrease in square footage, the type of space modifications, the resulting change in nonauxiliary gross square feet, and the number of months the square footage will be in effect during FY 2011. If no changes occur, indicate "No change."

	Type of Project or Space Modification	**Gross Sq ft Increase or Decrease**	**Number of Months in Effect in FY 2012**	**Annualized Gross sq. ft. Increase or Decrease**
1	Switzler Hall-MU	7,664	12	7,664
2	Orthopaedic Center (4th Floor Med School E&G)-MU	18,268	12	18,268
3	Brady - Bookstore (MO Student Ctr) Phase 2-MU	46,003	12	46,003
4	Art Dept. to Bingham Cafeteria 2nd Floor-MU	12,811	10	10,676
5	Pulse Power Research Building-MU	6,571	11	6,023
6	Student Success Center-UMKC	34,150	10	28,458
	TOTAL	125,467		117,093

V. SALARY COMPARISONS

List the approximate percentage salary increases provided or anticipated for staff as indicated below.

Occupational Category	FY 2011 over FY 2010 (%) *(1)*	FY 2012 over FY 2011 (%)
Ranked Faculty	0.56%	2.00%
All Faculty	0.57%	2.00%
Executive/Administrative/Managerial	0.57%	2.00%
Other Professional	0.49%	2.00%
Technical and paraprofessionals	0.14%	2.00%
Clerical and secretarial	0.14%	2.00%
Skilled Crafts	0.30%	2.00%
Service/Maintenance	1.15%	2.00%

(1) There were no across the board or merit increases in FY2011. The increases above relate to promotions and other required increases.

List the salaries of full-time instructional staff on 9/10-month contracts/teaching periods by gender and academic rank for FY 2011.

Gender and Academic Rank	Number	Salary Outlays	Average Salary
Men			
Professors	457	$49,997,073	$109,403
Associate Professors	422	32,384,879	76,741
Assistant Professors	297	19,042,480	64,116
Instructors	19	893,897	47,047
Lecturers	24	923,272	38,470
No Academic Rank	13	637,898	49,069
Total Men	**1,232**	**$103,879,499**	**$84,318**
Women			
Professors	144	$14,078,955	$97,771
Associate Professors	262	17,732,080	67,680
Assistant Professors	295	17,626,102	59,749
Instructors	31	1,469,975	47,419
Lecturers	37	1,405,210	37,979
No Academic Rank	7	252,528	36,075
Total Women	**776**	**$52,564,850**	**$67,738**
Total (Men & Women)	**2,008**	**$156,444,349**	**$77,911**
Total from prior year	2,007	$155,976,158	$77,716

V. SALARY COMPARISONS (con't.)

List the salaries of full-time instructional staff on 11/12-month contracts/teaching periods by gender and academic rank for FY 2011.

Gender and Academic Rank	Number	Salary Outlays	Average Salary
Men			
Professors	126	$17,281,272	$137,153
Associate Professors	113	10,689,969	94,601
Assistant Professors	93	7,351,287	79,046
Instructors	22	1,128,916	51,314
Lecturers	9	354,969	39,441
No Academic Rank	85	3,927,383	46,205
Total Men	**448**	**$40,733,796**	**$90,924**
Women			
Professors	40	$4,667,080	$116,677
Associate Professors	82	7,124,992	86,890
Assistant Professors	121	8,829,451	72,971
Instructors	71	3,215,341	45,286
Lecturers	13	584,093	44,930
No Academic Rank	89	3,609,266	40,554
Total Women	**416**	**$28,030,223**	**$67,380**
Total (Men & Women)	**864**	**$68,764,019**	**$79,588**
Total from prior year	820	$66,250,753	$80,794

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: University of Missouri
Program is found in the following core budget(s): University of Missouri - UMKC/MSU Doctor of Pharmacy Program

1. What does this program do?

The purpose of this funding is for UMKC to develop a satellite Doctor of Pharmacy program at Missouri State University. Once this infrastructure is solidified, the sustaining appropriation supports the additional personnel and distance education costs for the program. The staffing and distance education costs will be a part of UMKC's budget. The pharmacy students on the MSU campus will be registered at UMKC, will be considered and treated as UMKC students, but will have the opportunity for ancillary services at MSU such as parking, library facilities, and other student activities.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

UMKC Pharmacy is a component of the University of Missouri and falls under these statutes -Section 172.010 - 172.950.

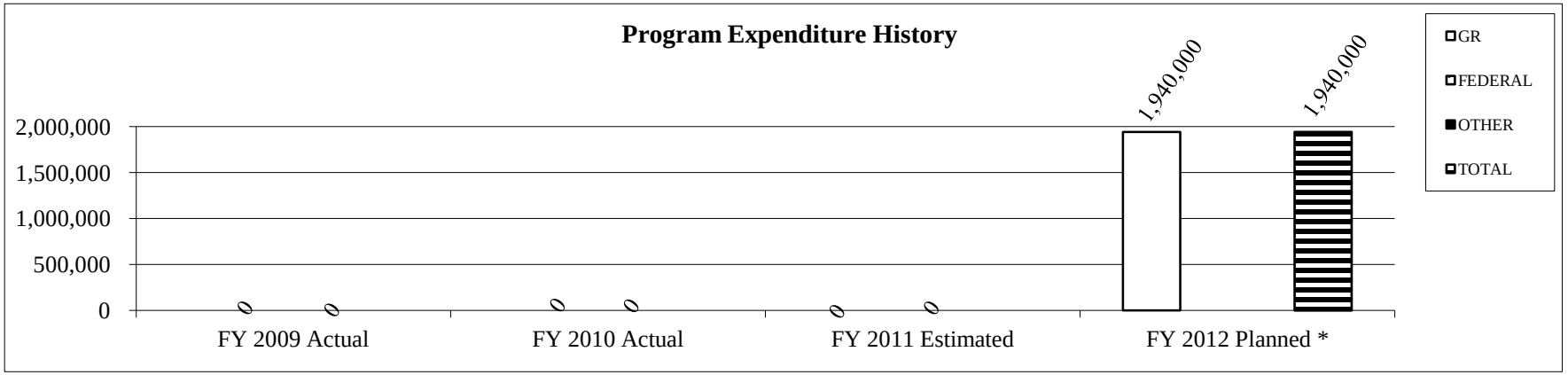
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



* Net of 3% Governor's withholding

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: University of Missouri
Program is found in the following core budget(s): University of Missouri - UMKC/MSU Doctor of Pharmacy Program

6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

Additional students admitted to joint program to increase the number of licensed pharmacist:

FY2011 Planned	FY2012 Planned	FY2013 Planned	FY2014 Planned	FY2015 Planned	FY2016 Planned	FY2017 Planned	FY2018 Planned
0	0	0	0	30	30	30	30

The Accreditation Council for Pharmacy Education (ACPE) will require approximately 2 years for full approval of our expansion prior to enrollment. When approved by ACPE, we will enroll the first class in the Fall of 2014. This will allow time for space renovation for distance education at MSU.

7b. Provide an efficiency measure.

Number of student graduates from joint pharmacy program:

FY2015 Planned	FY2016 Planned	FY2017 Planned	FY2018 Planned	FY2019 Planned	FY2020 Planned	FY2021 Planned
0	0	0	30	30	30	30

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Core Decision Items

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Increase to Core for Continuing Operations: State Request $16,400,000**
Decision Item Rank: **1 of 7**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri System's foremost priority in the FY2013 request for operations is the funding of its FY2012 core state appropriation of $405.8 million. Following the core, our priority is required increases to the core for continuing operations.

To ensure quality and competitiveness and fulfill its missions of teaching, research, public service, and economic development, the university is requesting an increase. The funding will help the university build a 3% salary and wage merit pool, cover a portion of benefit cost increases and provide a small amount for equipment, technology, infrastructure, and other on-going costs including unfunded mandates and compliance. In addition, it would provide an inflationary increase to the annual budgeted investment for maintenance and repair of educational and general facilities based on the Sightlines review of facilities.

As the state's only land-grant, doctoral-granting research institution, the university is obligated to recruit and retain top-notch faculty and staff, as well as provide faculty and students state-of-the art technology and infrastructure. These investments will be funded through a partnership between the state, the university, and the students. This request from the state for an additional $16.4 million would be coupled with $24.5 million from university resources and student fees.

The University of Missouri has a direct impact on the economy of Missouri through its ability to significantly leverage the state investment in university operations. For example, over 34,000 employees and retirees that reside in the state pay approximately $51 million in state taxes, approximately $302 million in federal taxes and return $1.3 billion in salary and retirement income to the state.

In the face of increases in mandatory costs like utilities, benefits, insurance, and technology, the University of Missouri has worked to control expenditures through administrative efficiencies and to increase revenues from other sources in order to balance the budget and continue operations. For example, in FY2008 effectiveness and efficiency actions resulted in $7.1 million in strategic reallocations and $21.6 million in onetime savings through cost management initiatives. In FY2009, the university implemented a number cost containment strategies to address growing financial concerns due to the economy. These initiatives focused on cost management and cost avoidance including hiring and spending freezes, business process improvement, academic program consolidation and energy conservation, which resulted in $64 million in onetime and recurring expenditure reductions

and cost savings. In addition, the university reallocated resources totaling $7 million to various strategic priorities, including academic programs and compensation support. Effectiveness and efficiency actions taken in FY2010 resulted in total financial impact of $101 million. Of these results $71.5 million, or 71%, was attributed to cost reduction initiatives. Revenue enhancement efforts accounted for $28.9 million, or 29%. The remaining actions were reallocation of resources to higher priorities of $0.5 million. These efforts have continued in FY2011 with further cuts, reallocations, and cost deferments. These significant cost control measures cannot continue long-term without negatively impacting service levels.

II. DESCRIPTION

The vision for the University of Missouri is to enhance its position as one of the premiere world-class public research universities in the country. Our strategic plan goals include increasing access to quality learning and teaching, achieving a nationally competitive position in research, scholarship, and academic programs, and setting new standards of quality for community-university engagement that will constitute a national model of service and outreach to the state, the nation, and the world. An investment in the University of Missouri will reap returns to the entire State of Missouri.

Annual Merit Increase in Compensation & Benefit Changes: Total Need: $33.3 million; State Request: $13.3 million

University employees are among the largest and highest value workforces in the state. With over 28,000 employees, the University is one of the largest nongovernmental employer in the state. The university is a people-driven institution. Three-fourths of the annual operating budget is devoted to compensation. No salary increases for FY2010 and FY2011, coupled with continued salary increases in the higher education marketplace, have caused UM's market position to erode. It is critical for the state that the university maintain and, if possible, enhance its market position to be competitive in its ability to attract and retain quality faculty and staff. The total required investment to fund a 3 percent merit compensation pool for faculty and staff is $19.5 million. In addition, we are anticipating a $13.8 million increase to our employee benefits from increased costs in health care and retirement and from the merit pool increase. We are asking the state to fund a portion of this investment. The remaining amount will be funded by the university through efficiencies, reallocations and other sources including tuition.

Other Mandatory On-Going Costs: Total Need: $7.6 million; State Request: $3.1 million

Technological innovation, educational and research needs, as well as increasing mandates and compliance requirements drive the need to change and adapt. This funding represents a small amount for equipment, technology, infrastructure, and other on-going costs including unfunded mandates and compliance. In addition this increase would provide an inflationary increase to the annual budgeted investment for maintenance and repair of educational and general facilities based on the Sightlines review of facilities. The total investment is $7.6 million with the state funding a portion of the request and the remaining funding contributed by the university from other sources including tuition.

In summary, we are requesting the state fund a 4.0 percent increase in the core budget, or $16.4 million of the $40.9 million total needs identified. The current state funding level is significantly below the national average for comparable research universities in the nation. Some of the costs of being a research University include a higher compensated faculty, specialized facilities, and higher administrative costs due to complex compliance requirements. Neither the federal or state governments are funding these costs at sustainable levels.

III. COST EXPLANATION

Increase to Core for Merit Increase in Compensation and Technology, Infrastructure and On-Going Costs

Increase in State Appropriations	$16,400,000
Increase in Non-state Sources	24,500,000
Total Increase to Ensure Quality and Competitiveness	**$40,900,000**

IV. EVALUATION OF OUTCOMES

An adjustment to the university's core budget to sustain quality and competitiveness will permit the continuation of educational, research, and outreach programs, as well as economic development initiatives benefiting all citizens of Missouri.

The merit compensation increase is necessary to attract and retain high-quality faculty and staff, and reduce turnover.

The university's accountability measures have been finalized with benchmarks, three year targets, and peer comparators where applicable in order to heighten accountability and improve transparency. These measures track access and affordability, instructional quality and outcomes, research and scholarship quality and productivity, community-university engagement, innovation and economic development impact, and fiscal and operational stewardship.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Competitive Ranked Faculty Compensation: State Request $40,300,000**
Decision Item Rank: **2 of 7**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

High quality faculty are the cornerstone of the University of Missouri. They provide excellence in teaching, mentoring, research, public service, economic development, and patient care. The university cannot provide the excellent educational experience its students and the citizens of Missouri expect and deserve unless it can retain and recruit excellent faculty. All of the citizens of the state benefit from having a world-class public research university in the state, and competitive compensation is essential to attracting and retaining world-class faculty and staff that are critical to its success.

II. DESCRIPTION

The university has identified the need for a $40.3 million addition to the annual merit pool to reach the mean pay range for faculty in our comparator groups. The request will be used to address competitive market pressures in recruiting and retaining the university's educators and researchers.

In an analysis of ranked faculty at public AAU universities, the Columbia campus ranked 34 out of 35 universities in ranking of mean salary of full professors in fall 2010. Similar problems exist with faculty salaries at the other University of Missouri campuses when compared to their peer groups, with UMKC at 17 out of 24; MO S&T 10 out of 15 and UMSL 24 out of 31. With permanent, increased funding, the salary for ranked faculty can be improved to current, mean salary levels among comparator institutions. Increased state support is critical to our ability to provide resources for this purpose. If additional investment is not made by the state for this purpose, the need will continue to grow, the compensation gap will widen, and the University of Missouri will struggle to recruit and retain faculty.

In summary, we are requesting that the state fund $40.3 million for these efforts in FY2013.

III. COST EXPLANATION

	State Appropriations
Competitive Ranked Faculty Compensation	$40,300,000
Total Increase from State Appropriation	**$40,300,000**

IV. EVALUATION OF OUTCOMES

The competitive ranked faculty compensation adjustment is necessary to attract and retain high-quality faculty and staff and reduce turnover. The continued investment in compensation will bring ranked faculty salaries to the mean of peer groups. Future compensation analysis will be used to evaluate the outcome.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Protecting the University's Infrastructure Through Increased Maintenance and Repair Investment: $27,000,000**
Decision Item Rank: **3 of 7**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is the state's premier public research university and is a four-campus system with campuses in Columbia, Kansas City, Rolla, and St. Louis. The university is requesting investment by the state to protect the university's facilities and infrastructure through increased expenditures for maintenance and repair (M&R). Because of funding challenges, addressing the M&R needs of the university has proven difficult and resulted in a backlog of maintenance. The need requires a funded commitment as the first step in a multiyear effort to stop further growth of—and reduce or appropriately manage—M&R backlogs.

II. DESCRIPTION

The university's investment in plant has been below recommended funding levels over the last several years resulting in a rapidly growing deferred maintenance backlog. The university's capital funding needs are limiting enrollment growth and the competitiveness of its four campuses. The university is reaching a "tipping point" in its ability to keep current facilities functional. Today, the university faces more than a $1 billion backlog in key renovation and repair needs. The university has been able to limit the growth of its backlog of facilities needing maintenance and repair to manageable levels with past state support and its own resources. However, the facilities improvement deferral rate is increasing, and the backlog is growing beyond the university's ability to manage it with current resources. As a result, the university is compelled to increasingly use resources to address emergencies rather than invest in preventive maintenance and renovations that adapt older facilities to current student and faculty needs.

This request is to increase state support to fund the shortfall in the required annual investment in facility maintenance, repair, and adaptation based on new replacement values. While the best in class funding for M&R is 2%, this request would help to fund investment of 1.5% of the plant replacement value. The total annual need is $39.0 million to fund the 1.5%. The state request is calculated as $15 million to reach the 1% and half of the $24 million needed to reach the 1.5% target. Financing these improvements will be impossible without additional state support.

II. COST EXPLANATION

Protecting the University Infrastructure Through Increased Maintenance and Repair Investment:

	State Appropriations
Maintenance & Repair Request From the State	$27,000,000
Total Increase from State Appropriation	**$27,000,000**

III. EVALUATION OF OUTCOMES

The problems of maintenance/repair backlogs will be with us for a very long time unless additional annual investments are made. With additional stable funding we will be able to manage and minimize, although not eliminate, the chance of a major problem having unforeseen consequences on the university's mission and operating budget.

- ***Additional Funds Will Slow Deterioration of the University's Facilities:*** The state and the university have invested heavily in higher education facilities over the years. The value of these assets--many billions of dollars--demands more rapid action. Additional investment will decrease the maintenance/repair backlog and avoid future increases.

- ***Responsible Stewardship:*** The state and the university share the responsibility for the existence of today's serious maintenance problems. By augmenting the maintenance budgets, the state can further partner in the university's efforts and underscore its intent that public facilities for higher education be properly maintained.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Adjustment for Enrollment Growth: State Request $16,700,000**
Decision Item Rank: **4 of 7**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University is requesting a $16.7 million increase in core operating appropriations to fund needs resulting from extraordinary enrollment growth coupled with reductions in appropriations.

II. DESCRIPTION

The University offers high quality education to provide the state with leaders, entrepreneurs, and other professionals necessary for an educated workforce in the state. In addition to high quality education, the University has an excellent reputation in research. All of the citizens of the state benefit from having a world-class public research university in the state. However, additional state funding is required to continue these services as described below.

The University has identified the need for additional funding of $16.7 million to support the extraordinary student enrollment growth on the University's four academic campuses since FY2001. The request is based on the funding formula adopted by the Council on Public Higher Education (COPHE) and the Coordinating Board for Higher Education. Using this formula, the University should receive $16.7 million in additional state funds to support the extraordinary student enrollment growth on the University's four academic campuses since FY2001. The request is calculated on growth in enrollment at the University between fall 2000 and fall 2010; during a time in which state appropriations declined or were stagnant. This request does not reflect funding needs for the expected growth in fall 2011.

At the University's four-campuses, enrollment between fall 2000 and fall 2010 increased by over 15,566 (headcount) students, or 27.8%. This is the largest enrollment increase of any Missouri public four-year university during this period. In 2010, the University granted 15,175 degrees contributing significantly to supporting an educated workforce in Missouri. This is a 39% increase over a ten-year period. While the University has been educating more and more students, its state appropriations have declined significantly on a per student basis. The decline in funding support per student effectively erodes the level and the potential quality of the educational experience for students. Lack of funding for the significant growth in enrollment at the University has led to an increase in the percentage of classes with greater than 50 students. This is publicly seen to negatively impact quality of education. The additional funding would be used to reduce class sizes by hiring additional faculty and increase student support services. To ensure the

continued delivery of quality education for all students attending the University of Missouri a funding adjustment that acknowledges the increase in service volume is necessary.

In summary, we are requesting that the state participate in funding $16.7 million for these efforts in FY2013.

III. COST EXPLANATION

	State Appropriations
Enrollment Growth State Share of Funding	$16,700,000
Total Increase from State Appropriation	**$16,700,000**

IV. EVALUATION OF OUTCOMES

The additional investment due to enrollment growth in the state's only land-grant doctoral-granting research institution will result in equitable funding per FTE student at the University of Missouri campuses and ensure quality educational experiences and enhance access and affordability for Missouri citizens.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **St. Louis Equity Adjustment: State Request $1,863,729**
Decision Item Rank: **5 of 7**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University is requesting an increase in core operating appropriations to fund needs resulting from a funding gap in state appropriations on the University of Missouri St. Louis campus. The FY2013 appropriation request of $1.86 million when added to funding provided in past years would reach the target need of $10.8 million.

II. DESCRIPTION

According to a 2002 Coordinating Board for Higher Education study that evaluated FTE funding relative to the mean and median of the appropriate Carnegie classification peer group, the University of Missouri—St. Louis (UMSL) had a significant funding gap of $10.8 million in state appropriations. This funding gap has been addressed in the last several years by special funding allocations from System administration and targeted funding from the state for a total of $8.6 million. The FY2013 appropriation request of $1.86 million is for an increase in state appropriations which when added to an additional $345,500 reallocation provided by UM System would reach the target of $10.8 million.

Various analytical studies conducted over the past several years have concluded that each UM campus is underfunded relative to its mission, program scope, level of students served and comparator institutions. However, UMSL's state appropriation per weighted FTE student was the lowest in the state. Weighted FTE factors in the additional costs of educating first professional and graduate students and the doctoral and research mission unique to the University of Missouri. This comparison is significant because the other four-year institutions do not have the same doctoral and research mission as UMSL and the other University of Missouri campuses.

The University of Missouri-St. Louis is a premier metropolitan public research university. Its educational and research missions advance the economy and culture of the region and provide leadership at a national and international level. The campus supports an enrollment of over 15,000 students. Adequate funding is critical to the campuses' ability to deliver teaching, research, public service, and economic development to the citizens of the St. Louis region and the state.

In summary, we are requesting that the state participate in funding $1.86 million for these efforts in FY2013.

III. COST EXPLANATION

	State Appropriations
New Recurring Investment for St. Louis Equity Adjustment	$1,863,729
Total Increase from State Appropriation	**$1,863,729**

IV. EVALUATION OF OUTCOMES

This investment in UMSL provides the funds needed to correct the equity funding gap in state appropriations identified by the 2002 Coordinating Board for Higher Education study. This investment in the land-grant research institution committed to meeting the diverse needs in the state's largest metropolitan community will provide for continued educational, research and outreach programs benefiting all citizens of Missouri.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Caring for Missourians: $20.7 million**
Decision Item Rank: **6 of 7**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is responsible to the State for providing access to quality educational experiences for Missouri's future health care providers. In FY2010 the University received a one-time appropriation of $24.3 million for any one-time purpose that allowed us to invest $24.3 million in the Caring for Missourian's initiative. This was used to address several years of funding shortages that severely impacted our health profession educational programs threatening our ability to provide access to the next generation of Missouri's health care providers. The primary goal for the University of Missouri health care professional schools is to recruit, educate, and retain the best students who will graduate to serve the health care needs of all Missourians. We stand ready to produce more health care professionals as that is the best way to specifically address the current and future health care worker shortage. The state's investment helped us create additional capacity for students across a wide variety of health professions including nursing, pharmacy, and medicine as well as others. In order to continue this progress the one-time funding is needed on a recurring basis.

This issue is not unique to the University of Missouri; rather, it impacts every other four-year institution and community college currently training health professionals in Missouri. Under the current funding structure, Missouri's higher education institutions are unable to keep pace with the increasing demand for health care professionals. As a result, the state is experiencing considerable shortages of health care workers. The outlook becomes worse when considering significant retirements among active practitioners, changes in technology and practice, and the increasing life span of our citizens.

The University of Missouri, the other four-year public institutions, and the State's community colleges have increased the number of student seats on a temporary basis in health professions and temporarily increased access to quality health professional education. The goal with additional funding will be to gradually increase class sizes by an average of about 20 percent in order to address the state's health professional shortages, which affect a broad range of our citizens, regardless of their socioeconomic status. Specifically, the University of Missouri requests funding for our health professional education programs at the University of Missouri-Columbia (MU), the University of Missouri-Kansas City (UMKC), and the University of Missouri-St. Louis (UMSL), and for a pre-Med program at the Missouri University of Science and Technology (MO S&T). These programs educate our future physicians, nurses, dentists, optometrists, pharmacists and allied health professionals.

II. DESCRIPTION

Nurse Education

The state of Missouri is facing a dire shortage of nurses. The shortage is projected to become even more severe in upcoming years. The demand for RNs in the U.S. is expected to grow by 2 percent to 3 percent each year resulting in a shortage of registered nurses that could reach as high as 500,000 by 2025 unless drastic steps are taken to reverse this shortfall. Currently, Missouri is facing a 9.5 percent shortage of nurses resulting in approximately 12,900 unfilled positions. In 2005, the demand for RNs outpaced the supply by 17 percent and by 2020 demand is expected to outpace supply by 22 percent. The unfortunate result of nursing shortages can be compromised patient care. Multiple studies have demonstrated a correlation between lower nurse staffing levels and adverse patient outcomes. The University of Missouri educates baccalaureate and higher degree-prepared nurses. The University of Missouri nursing programs will continue to cooperate with the state's community colleges through their RN-to-B.S.N. programs and their accelerated B.S.N. programs to increase the number of baccalaureate-prepared nurses. In addition, a State wide initiative has been endorsed called the "BSN in Ten" requiring nurses with Associate Degrees to complete their BSN within 10 years of graduating with the ADN. The demand for RN-BSN programs to accommodate this increased enrollment will grow and be sustained. There is also evidence that health care quality and patient outcomes may be affected by the shortage of nurses with a higher level of education. The Health Resources and Services Administration recommends baccalaureate degree preparation for at least two-thirds of the nursing workforce and the Institute of Medicine recommends 80%, as the evidence clearly shows that higher levels of nursing education are linked with lower patient mortality rates, fewer errors and greater job satisfaction among RNs. The Institute of Medicine also recommends doubling the number of nurses with doctorates by 2020 to educate future students, build the science that advances quality patient care and improved health outcomes, and to design health systems changes to promote optimal health for the public and reduced health care costs.

Deploying the one-time funds received in FY2010 the University of Missouri has temporarily increased the number of graduates of baccalaureate, master's, and doctoral-level nursing students. The expanded numbers of graduate students will facilitate the graduation of nurses who might serve as faculty members for Missouri nursing programs, thereby contributing to reducing the nurse faculty shortage. To expand the pipeline of new nurses entering the profession, the University of Missouri nursing schools in St. Louis, Columbia and Kansas City have increased enrollment and capacity by over 150. To continue this effort, the University of Missouri will produce a combined goal of 95 more nursing graduates at the bachelors, masters and doctoral levels on a recurring basis. To support and continue this increase in student population the University of Missouri is requesting $5.3 million for FY2013.

Physician Education

The University of Missouri has the state's two public medical schools at its Columbia and Kansas City campuses. The amount of state support per year per student has an impact on the ability of the university to sustain a quality medical education program at an affordable cost. Lack of funding also prevents the schools from increasing class sizes in order to deal with Missouri's physician shortage.

The Missouri Department of Health and Senior Services estimates that 108 out of 114 Missouri counties are designated as underserved by physicians. Multiple factors contribute to the shortage, including an increasing demand for physician services, an aging population and changing practice patterns. The Association of American Medical Colleges (AAMC) estimates that even if medical school enrollment increases now it would take 10 to 15 years to see increases in the number of practicing physicians due to the length of training required. As a result, the AAMC has called for medical schools to increase enrollments by 30 percent by 2015. Using one-time funds received in FY2010 both of the University of Missouri's Schools of Medicine have begun to address Missouri's shortage by admitting additional students to increase the number of graduates, but continued funding is needed.

Specifically, the UMKC School of Medicine admitted 15 additional students and is working to reduce student attrition by providing additional student advising and other academic support. The school is also advising students to make them more competitive for postgraduate training programs in Missouri. The funding is also being used for developing pipeline projects to attract more Missouri students from rural Missouri counties and low income

and underrepresented minorities into the BA/MD program and exploring partnerships with local colleges and universities to attract graduates to the UMKC MD program.

The MU School of Medicine agreed to graduate an additional 16 physicians by 2015 (eight additional students admitted in academic year 2010 and eight additional students admitted in the fall of 2011). The increase in state funding has allowed our clinical faculty to increase the amount of time educating students and, as a result, enabled the school to increase its class size and the number of graduates. The funding is being used to support the additional faculty time to teach, mentor and advise the additional students, develop a number of related programs and renovate the existing facilities to accommodate the additional students and make necessary upgrades. In another effort to address shortages in the state, particularly in rural communities, the MU School of Medicine has allocated some of the funding to expand their Rural Track program. This enhances visibility in rural Missouri, increases rural practice opportunities for our medical students and increases the availability of health care in rural parts of the state. Students recruited from rural areas are more likely to return to practice in those areas. In order to be successful, these students in particular often require financial support.

The University of Missouri medical schools in Columbia and Kansas City have temporarily increased enrollment and capacity by a combined total of 31 students. To continue this effort of supporting more students, expanding scholarship opportunities, and graduating 31 more medical students annually, the University of Missouri is requesting $11.6 million for FY2013.

Dentist Education

Missouri is experiencing a growing oral health care crisis as a result of a serious shortage of oral health practitioners – particularly in the urban cores of St. Louis and Kansas City and in rural Missouri. While the rate of decline of practicing dentists in the state appears to have tapered off, the average age of dentists in Missouri threatens to affect our future supply. To address the shortage, the School of Dentistry has increased its number of dental graduates. Five additional Missouri residents were accepted into the fall 2010 D.D.S. class with four additional students planned each year 2011 through 2013 for a total of 17 new seats on a temporary basis.

Online review courses have been added to aid student success as well as a formal post-baccalaureate program which was implemented in 2011. Upgrades and additional workstation renovations have been completed to accommodate the additional students. While these efforts have been successful, the dental school requires additional funding in order to further increase its number of students, providing necessary additional faculty support to accommodate the increase in students. The School will admit an additional seven students annually to address this need. Cultivating interest in dental health careers among urban underrepresented students will be a goal in identifying some of the additional students the School anticipates enrolling. Likewise, development of program extension via distance education that will attract students from rural areas of Missouri will be explored.

Novel approaches to creating a pipeline of underrepresented students will require partnerships in urban school districts where oral health services are provided while training dental and dental hygiene students in a clinical setting. A clinic located in an urban college preparatory K-12 charter school will provide the opportunity for exposure to dental care and educational opportunities to develop interest in dental health careers. By serving the urban community in which the School of Dentistry resides, the Dental School will develop a continual diverse applicant pool. Program funding will provide support for a faculty position for clinical supervision at this site.

To support this request to graduate seven additional dental students annually, the University of Missouri is requesting $0.874 million for FY2013.

Optometrist Education

Optometry is the nation’s third largest independent health care profession. Data from the Missouri Department of Economic Development indicate that the demand for new optometrists is comparable with that of other primary care providers, with an average of 20 optometrists needed annually through 2020. The optometry program at UMSL is the only program in the state of Missouri and just one of 20 in the United States. Student fees at the UMSL College of Optometry continue to be the highest among the 20 schools and colleges of optometry. Many highly qualified prospective students conclude

that the cost of education is not balanced by the design and condition of our campus facility, with marginally adequate academic, patient care and administrative areas. Thus, over one out of four Missourians who began their optometric education in the fall of 2010 did so outside the borders of Missouri. The result is that many of the students who leave Missouri to attend a more affordable school do not return to practice optometry in Missouri, fueling additional shortages with each year the high cost is not addressed.

With the additional Caring for Missouri funding, the UMSL College of Optometry increased class size by four in fall of 2009 with the goal of adding four students each year in 2010-2013 and concentrating on ethnic and minority students due to its location in a diverse metropolitan area. Access for highly qualified Missouri students has been enhanced through an increased number of scholarships and tuition assistance. To continue to address optometrist shortages, the College of Optometry seeks to increase enrollment and capacity by graduating six optometry students annually. To support this request, the University of Missouri is requesting $0.8 million for FY2013.

Health Professions Education

Through imaging, diagnostic sciences, and rehabilitative sciences, allied health professionals are on the front line of disease detection and care. These professionals include occupational therapists, physical therapists, radiologic technologists, respiratory therapists, sonographers, and speech-language pathologists. Nationally, a shortage of up to 2.5 million allied health workers is predicted by 2020. The U.S. Department of Labor reports that allied health workers represent 60 percent of the American health care workforce. In Missouri health occupations are projected to increase 22.3 percent or by approximately 47,110 jobs by 2012.

The MU School of Health Professions (SHP) is the University of Missouri system's only school with this array of allied health degree programs, and the only public allied health PhD-granting institution in Missouri. It offers the nation's only master's-level program in diagnostic medical ultrasound and Missouri's only doctoral-level program in speech-language pathology. Recent departmental surveys of the school's graduates showed that approximately 86 percent of them remain in the state to practice, with an even distribution of rural and urban employment placement. In addition to addressing advance practice workforce needs through the school's degree offerings, the School of Health Professions collaborates with Missouri two year and technical colleges to expand professional degrees in the areas of therapy assistants thereby responding to the full spectrum of workforce needs. Health care will continue to top the national domestic agenda, and major investments in schools like SHP are necessary to respond to societal needs for services, research, and educating the next generation of practitioners. To guarantee Missouri's allied health workforce needs are met, the School of Health Professions will increase enrollment and capacity by 38 students across existing programs. The University of Missouri is requesting $1.6 million in recurring funding for this effort, beginning in FY2013.

Pre-Med/Healthcare Pipeline

The Missouri University of Science and Technology has used the Caring for Missourian's funding to enhance its pre-med pipeline in the biology department as well as other related departments. They are increasing awareness of pre-medicine as a career option and improving the preparation of all students in the skills for health profession schools. The goal is to provide an additional 5 students entering health care fields. To support this request, the University of Missouri is requesting $0.5 million for FY2013.

III. COST EXPLANATION

Cost Summary

Program/Discipline	Additional State Investment
Nurse Education	$ 5.3 million

Physician/Medical Education	11.6 million
Dentist Education	0.9 million
Optometrist Education	0.8 million
Health Professions Education	1.6 million
Pre-Med Pipeline	0.5 million
Total Increase in State Appropriations	**$20.7 million**

IV. EVALUATION OF OUTCOMES

Nurse Education
- Sustain an increase of additional students graduating annually among our three nursing schools.
- Increase the number of graduates that remain in Missouri.
- Continue to work with statewide community colleges to ensure a smooth transition for two-year graduates wanting to complete a bachelor's degree in nursing.

Physician Education
- Sustain an increase of additional students graduating annually among our two medical schools.
- Maintain Liaison Committee on Medical Education (LCME) accreditation.
- Increase the number of graduates that practice in rural or underserved areas.

Dentist Education
- Sustain an increase of additional students graduating annually.
- Increase the number of our graduates that practice in underserved rural or urban areas.

Optometrist Education
- Sustain an increase of additional students graduating annually.
- Increase need-based scholarships.
- Increase retention of highly qualified Missouri resident graduates.

Health Professions Education
- Sustain an increase of additional students graduating annually.
- Increase the number of students remaining in Missouri to practice.
- Continue to work with statewide community colleges to ensure a smooth transition for two-year graduates wanting to complete a bachelor's degree.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Donor and State Partnerships: State Request $4.0 million**
Decision Item Rank: **7 of 7**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University is requesting a $4.0 million increase in core operating appropriations for two initiatives to create partnerships with donors. State appropriations will be used to leverage private gifts to create an endowed professorship program and an endowed program to support STEM students. The endowed professorship will be used to attract and retain top teaching and research faculty. The student program will address the state's workforce educational needs in Science, Technology, Engineering, and Mathematics (STEM).

II. DESCRIPTION

Endowed Professorships: State Request $2.0 million
This program would be established by leveraging state resources in order to attract funding from external sources for the purpose of recruiting and retaining top faculty. The program would be established to attract to the State of Missouri and the University of Missouri distinguished teachers and researchers who would promote academic excellence, perform cutting edge research, and contribute to the State's economic development initiatives.

The University previously received state appropriations to match endowed chair/professorship programs with excellent results. For this program, the University has a goal of 15 new endowed professorships funded by leveraging $2.0 million in recurring appropriations to raise $22.5 million in donor gifts to establish 15 endowment funds. State support of $2.0 million in recurring funds would be used to match the annual payout of the 15 professorships with an estimated $150,000 for each position and to develop a permanent endowment to support the payout.

Meeting the State's Workforce Needs: State Request $2.0 million
This request is an effort to raise Missouri's failing national grade in science, technology, engineering and math (STEM) education by supporting K-12 and college education in these areas. Missouri ranks near the bottom of all states in the proportion of science and engineering degrees awarded. It is important to our state economy that students are graduating with degrees in the STEM fields. A recent Department of Commerce report, says in the last 10 years the number of STEM jobs has increased three times as fast as those in other fields. In addition, STEM jobs are expected to continue to grow at a faster rate than other jobs in the coming decade and these workers are less likely to experience joblessness.

This request for state funds would leverage donor funds on a 1 to 1 match basis to create endowments to support undergraduate scholarships, loan forgiveness programs and other initiatives in the Science, Technology, Engineering, and Mathematics fields. This support would encourage more students to enter these fields of study, and provide assistance for those students to graduate from these fields and then remain in the state for a minimum period of time or be required to repay the funds. In addition, these funds could be used to leverage donor support to provide cooperative summer programs for middle and high school students to encourage interest as well as teaching preparatory programs in these disciplines. The scholarship program would be a $15,000 state match for a $15,000 donation to provide for 129 annual need-based scholarships at $1,500 each if all the funds were used for this purpose.

In summary, we are requesting that the state participate in funding $4.0 million for these efforts in FY2013.

III. COST EXPLANATION

Endowed Professorships	$2,000,000
Meeting Missouri's Workforce Needs in Science, Technology, Engineering, And Mathematics	2,000,000
Total Increase from State Appropriation	**$4,000,000**

Other Programs

FY2013 APPROPRIATIONS REQUEST FOR OPERATIONS

SUMMARY OF OTHER PROGRAM REQUESTS

UNIVERSITY OF MISSOURI SYSTEM

	STATE APPROPRIATED FUNDS	NON-STATE FUNDS	TOTAL FUNDS
Missouri Rehabilitation Center	$10,732,696	$25,990,675	$36,723,371
Missouri Kidney Program	$2,971,540		$2,971,540
Missouri Research and Education Network (MOREnet)	$366,718		$366,718
Missouri Telehealth Network	$453,033		$453,033
Alzheimer's Program	$447,480		$447,480
Spinal Cord Injury Fund	$625,000 E		$625,000 E
State Seminary Fund	$4,275,000		$4,275,000
Missouri Returning Heroes Education Act	$1,418,780		$1,418,780
State Historical Society of Missouri	$1,313,004	$772,134	$2,085,138

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI REHABILITATION CENTER

	FY 2010 Actual	FY 2011 Estimated	FY2012 Planned & FY2013 Core	Increase for Sustaining Quality and Service	FY2013 Request
EXPENDITURES:					
Personal Services	$23,071,327	$22,535,873	$22,855,229	$975,434	$23,830,663
Medical Supplies & Drugs	1,970,909	2,109,302	2,187,179	65,615	2,252,794
Purchased Services and Support	1,883,536	2,042,142	2,503,659	75,110	2,578,769
Federal Reimbursement Allowance	1,423,416	1,413,240	1,247,270	37,418	1,284,688
Other Expenditures	3,055,798	3,110,717	3,236,218	97,087	3,333,305
Transfers to Plant from Current Capital	4,669,078	5,961,965	3,342,866	100,286	3,443,152
Total Expenditures and Transfers	$36,074,064	$37,173,239	$35,372,421	$1,350,950	$36,723,371
Net Paid FTE	393.6	384.7	367.4	0.0	367.4
SOURCES OF FUNDS:					
State Appropriations	$11,486,522	$10,337,870	$10,337,870	$394,826	$10,732,696
Non-State Revenues					
Net Patient Revenues	$13,055,941	16,708,469	$17,620,687	$528,621	$18,149,308
Federal Reimbursement Allowance	9,778,092	8,390,550	5,630,428	168,913	5,799,341
Other Revenues	1,753,509	1,736,350	1,783,436	258,591	2,042,027
Total Non-State Revenues	$24,587,542	$26,835,369	$25,034,551	$956,124	$25,990,675
Total Sources	$36,074,064	$37,173,239	$35,372,421	$1,350,950	$36,723,371

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI REHABILITATION CENTER

	FY2010 Actual		FY2011 Estimated		FY2012 Planned & FY2013 Core		Increase for Sustaining Quality and Service	FY2013 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching and Research	0.2	$0	0.2	$0	-	$0	$0	0.0	$0
Exec., Admin., Managerial	55.8	2,366,765	54.6	2,167,716	52.2	2,286,999	68,610	52.2	$2,355,609
Professional	180.2	8,721,395	176.1	8,878,648	176.6	8,507,433	255,223	176.6	8,762,656
Technical	83.9	3,719,326	82.0	3,462,837	69.4	3,471,648	104,149	69.4	3,575,797
Office	24.2	1,113,755	23.6	1,053,826	22.2	1,074,198	32,226	22.2	1,106,424
Crafts and Trades	17.9	851,615	17.5	845,073	17.6	904,691	27,141	17.6	931,832
Service	31.4	1,405,154	30.7	1,330,696	29.4	1,416,342	42,490	29.4	1,458,832
Staff Benefits		4,893,318		4,797,077		5,193,918	445,595		5,639,513
Total Personal Services	393.6	$23,071,328	384.7	$22,535,873	367.4	$22,855,229	$975,434	367.4	$23,830,663
EXPENSE AND EQUIPMENT:									
Fuel and Utilities		$652,944		$680,429		$693,013	$20,790		$713,803
Equipment and Equipment Maintenance		664,383		598,627		821,717	24,652		$846,369
Medical Supplies and Drugs		1,970,909		2,109,302		2,187,179	65,615		$2,252,794
Transfers to Plant for Current Capital		4,669,078		5,961,965		3,342,866	100,286		$3,443,152
Other Expenditures		$5,045,423		5,287,043		5,472,417	164,173		$5,636,590
Total Expense & Equipment		$13,002,736		$14,637,366		$12,517,192	$375,516		$12,892,708
Grand Total	393.6	$36,074,064	384.7	$37,173,239	367.4	$35,372,421	$1,350,950	367.4	$36,723,371

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI REHABILITATION CENTER

I. MISSION STATEMENT

As part of a land-grant university, University of Missouri Health Care's core mission is to advance the health of all people, especially Missourians. Through exceptional clinical service, University of Missouri Health Care supports the education and research missions of the University of Missouri. Our vision: Through discovery and innovation, University of Missouri Health care will be the model health care provider for exemplary patient and family centered-care.

II. PROGRAM DESCRIPTION

Missouri Rehabilitation Center (MRC) is a 71-bed rehabilation hospital committed to providing compassionate rehabilitation services. It is recognized throughout the Midwest as a leading long-term acute care center for physical medicine and rehabilitation. Located 30 miles from Springfield and Joplin in Mount Vernon, the hospital houses an array of experts and programs for patients recovering from serious illness or injury. Comprehensive services include both inpatient and outpatient programs and specialized treatment for traumatic brain injuries, strokes, spinal cord injuries and orthopedic injuries.

In 1996, state legislation transferred responsibility of the state-run hospital — the last to be operated by the Missouri Department of Health — to University of Missouri Health Care.

Founded in 1907 as a state tuberculosis hospital, MRC's services have greatly expanded throughout the years, first to a broad range of pulmonary treatments and then to a center for comprehensive physical rehabilitation. Extensive efforts are made to help patients reach their fullest physical potential and to develop self-help/care skills. A state-of-the-art intensive care unit was opened in the summer of 2001. The ICU has two distinct benefits: It provides expanded space that allows the center to accept more acute rehabilitation patients, and it allows medical staff to start rehabilitation efforts sooner.

MRC houses the largest traumatic brain injury program in Missouri, offering a full continuum of services including inpatient intensive care. MRC has one of the highest success rates for weaning patients from ventilator dependence. Center research led to a computer program allowing quadriplegics and others with disabilities to operate computers with their eyes.

Long-term (sub-acute) rehabilitation care is labor-intensive and time consuming. Very few facilities in the state provide such care, especially for head injury patients, and particularly for indigent or Medicaid patients. Almost 88% of MRC's patient charges are with self pay patients or patients with governmental payors (Medicare, Medicaid, Veterans Administration). Recently, competition has increased for patients with commercial resources, due to the opening of long term acute care hospitals in the area.

With increasing competition, relatively flat volumes, and the increasing cost of resources, MRC is expected to just cover its operating and capital costs for FY2012. Without an increase in state appropriation, income from operations will not be sufficient to fund required capital investment for future years. While MRC continues to seek cost efficiencies as well as new business opportunities, it will be challenging to succeed without increased state support. Receiving the 3.8% increase in operating appropriation is critical to MRC's ongoing operations.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2011 Estimated	FY2012 Planned	FY2013 Planned
A. Hospital Fiscal Data:			
Total Non State Revenues	$26,835,369	$25,034,551	$25,034,551
State Revenue (Percent of Total)	37.37%	40.06%	40.06%
B. Inpatient Discharges:	334	384	384
C. Inpatient Discharges By Responsibility:			
Medicare	103	118	118
Medicaid	117	135	135
Managed/Commercial	41	47	47
Self Pay & Other	73	84	84
Total	334	384	384
D. Inpatient Days	14,760	14,500	14,500
F. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	79	71	71
Percent Occupancy	51.19%	55.80%	55.95%
G. Size of Physical Plant:			
Number of Gross Square Feet	326,325	326,325	326,325
Number of Net Assignable Feet	210,914	210,914	210,914

III. PERFORMANCE AND ACTIVITY MEASURES (continued)

H. Book Value of Equipment Inventory:

At June 30, 2010	$10.0 million
At June 30, 2011	$10.0 million
At June 30, 2012 Estimated	$9.0 million

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Rehabilitation Center
Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center

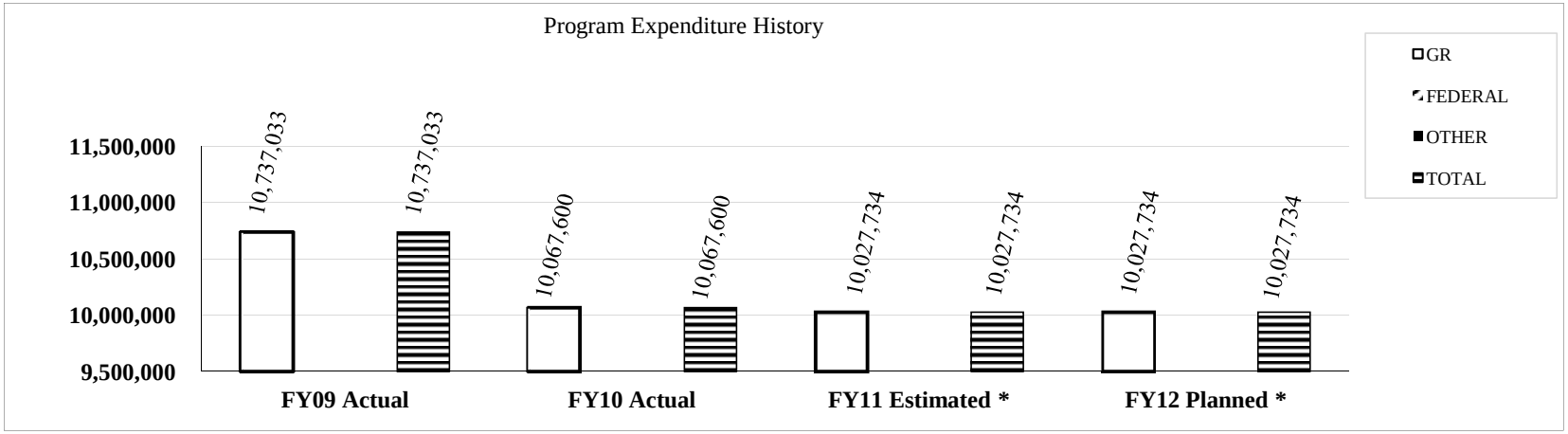
1. What does this program do?

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

3. Are there federal matching requirements? If yes, please explain.
No

4. Is this a federally mandated program? If yes, please explain.
No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



* Net of Governor's 3% Withholding

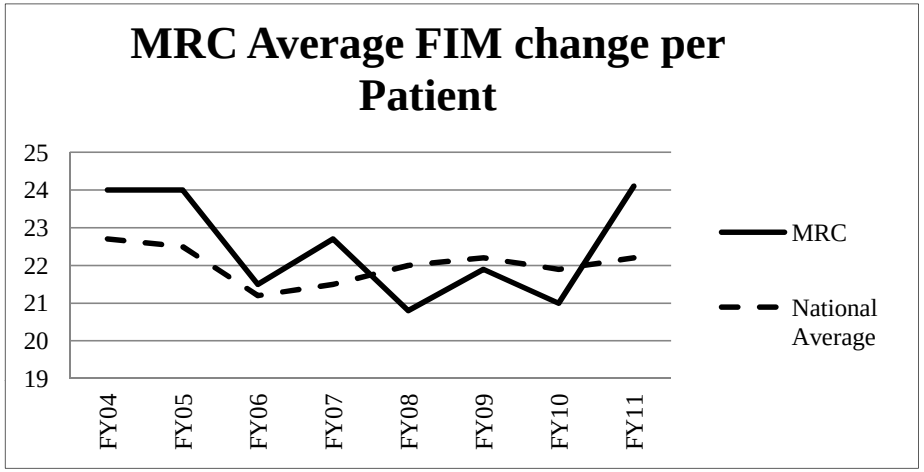
Department of Higher Education
Program Name: Missouri Rehabilitation Center
Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center

6. What are the sources of the "Other " funds?

All appropriated funds are from General Revenue. However, the Rehabilitation Center generates substantial revenue from patients and third party payors. See Form 1 for detail of nonstate revenues.

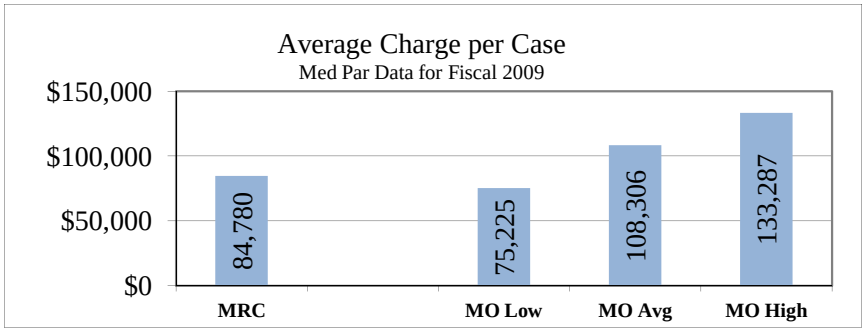
7a. Provide an effectiveness measure.

The clinical effectiveness of rehabilitation units like MRC may be best measured by using a Functional Individual Movements (FIM) score. The FIM score measures the patient's ability to perform activities of daily living. The accompanying graph depicts the average change in FIM score from admission to discharge, compared to the national average. In FY11 MRC is above the National Average. MRC's onset to admission average was 51 days for FY11. The National Average was 19. Research has shown that speed of recovery slows as a patient moves farther from their onset date. Considering the degree of spontaneous recovery and recovery made at Rehab facilities prior to admission to MRC, it would be assumed that speed of recovery would be lower than average.



7b. Provide an efficiency measure.

MRC is a long-term acute care hospital, one of relatively few hospitals of this type in the state of Missouri. Based on fiscal year 2009's Med Par data (a database of Medicare claims), we can compare average charge per case with other similar hospitals.

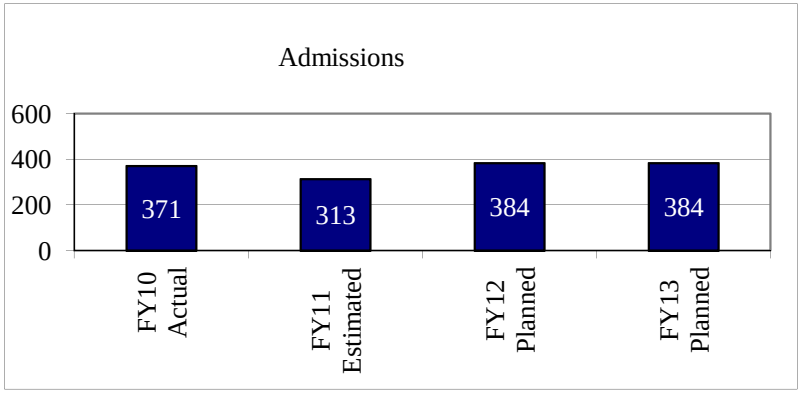


PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Rehabilitation Center
Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center

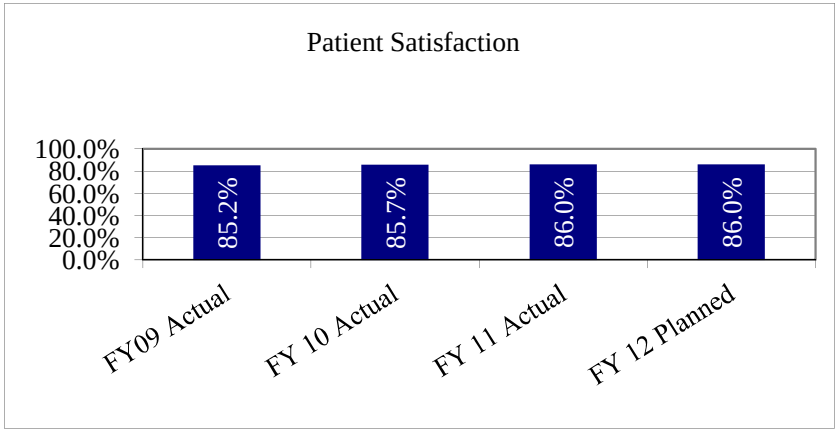
7c. Provide the number of clients/individuals served, if applicable.

The accompanying graph depicts the historical and projected Admissions for Missouri Rehabilitation Center.



7e. Provide a customer satisfaction measure, if available.

The overall patient satisfaction can be judged by using the overall mean score as reported by Press, Ganey Associates INC. The closer the score to 100, the closer the Patient is rating their satisfaction as "Very Good". These numbers are derived by an overall composite of all questions at Missouri Rehabilitation Center.



NEW DECISION ITEM REQUEST

MISSOURI REHABILITATION CENTER
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Rehabilitation Center**
Decision Item Name: **Increase for Sustaining Quality and Service: $394,826**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This request is for state funds to provide an increase for sustaining quality and service.

The Missouri Rehabilitation Center (MRC) is a 71-bed long-term acute care hospital that provides an array of experts and programs for patients recovering from serious illness and injuries. MRC provides inpatient and outpatient services to Missourians, with special programs for traumatically brain-injured, and spinal cord-injured patients. Because many of these patients are Medicaid or indigent clients it is especially challenging financially; MRC experienced operating losses in 2006 and 2007 of $1.1 and $1.7 million respectively. In FY2008 and FY2009 MRC implemented additional cost saving measures and was able to maintain a positive operating margin but it was not enough to cover MRC capital expenditures. Further reengineering resulted in MRC covering operating and capital costs for FY2010, and MRC is expected to cover all costs in FY2011. Despite the decision to close MRC's Tuberculosis unit, with reductions in Federal Reimbursement Allowance (FRA) as well as core cuts in state appropriations, it is projected that MRC will just cover operating and capital costs for FY2012. Without additional funding, MRC will not be able to cover inflation for FY2013. MRC continues to experience increases in the cost of goods and services at a time when reimbursement for services declines due to serving a disproportionate share of Missouri's Medicaid and indigent clients. To continue at the current level of operations in 2013, MRC will require adjustments in state support to cover mandatory cost increases to sustain quality and service.

II. DESCRIPTION

The Missouri Rehabilitation Center continues to incur higher costs to deliver its services to the public. There are fixed cost increases associated with utilities, insurance, medical equipment, pharmaceuticals, and supplies and services, as well as increased costs associated with staff compensation. The personnel policies are the same for these programs as for the general operations of the University. With these higher costs and relatively flat non-state revenues, an increase in state appropriations is critical to operations. Lack of additional funding removes the ability of MRC to continue to provide the same level of services for the citizens of Missouri.

Since FY2000, MRC has invested more than $29 million in equipment and facilities without receiving capital appropriations. MRC's reserves were exhausted in FY2008 and University of Missouri Health Care began subsidizing MRC. Without reserves, it is critical that MRC receives the requested increase for sustaining quality and service. In addition, significant capital repairs are needed at this facility.

The patient base for the MRC is 88 percent Self Pay, Medicare, Medicaid, or Veterans Association, which challenges MRC financially as it continues to experience cost increases for goods and services. Expected reductions in Federal Reimbursement Allowance (FRA) payments which supplements Medicaid and uncompensated care make state support necessary for operations to continue.

This request includes a $394,826 increase for sustaining quality and service is requested.

III. COST EXPLANATION

MRC Increase for Sustaining Quality and Service	$394,826
Total Increase from State Appropriation	**$394,826**

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI KIDNEY PROGRAM

	FY2010 Actual	FY2011 Estimated	FY2012 Planned & FY2013 Core	Restoration of the Core	Increase for Sustaining Quality and Service	FY2013 Request
EXPENDITURES:						
Program Operations	$2,710,871	$2,793,890	$1,500,000	$1,380,299	$91,241	$2,971,540
Total Expenditures	$2,710,871	$2,793,890	$1,500,000	$1,380,299	$91,241	$2,971,540
FTE Employees	10.1	8.8	5.0	2.0		7.0
SOURCES OF FUNDS:						
State Appropriations	$2,710,871	$2,793,890	$1,500,000	$1,380,299	$91,241	$2,971,540
Non-State Revenues	0	0	0	0	0	0
Total Sources	$2,710,871	$2,793,890	$1,500,000	$1,380,299	$91,241	$2,971,540

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI KIDNEY PROGRAM

	FY2010 Actual		FY2011 Estimated		FY2012 Planned & FY2013 Core		Restoration of the Core		Increase for Sustaining Quality and Service	FY2013 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:											
Teaching and Research											
Exec., Admin., Managerial	2.0	$115,036	2.0	$115,036	2.0	$116,953		$0	$3,509	2.0	$120,462
Professional	5.5	201,655	4.8	211,044	2.0	89,379	1.0	34,871	$3,727	3.0	127,977
Office	2.6	75,140	2.0	57,837	1.0	35,949	1.0	22,880	$1,765	2.0	60,594
Staff Benefits		93,533		102,495		68,347		16,934	$7,390	0.0	92,671
Total Personal Services	10.1	$485,364	8.8	$486,411	5.0	$310,628	2.0	$74,685	$16,391	7.0	$401,704
EXPENSE AND EQUIPMENT:											
Fuel and Utilities											
Library Acquisitions											
Equipment											
All Other											
Administrative Operations		$38,086		$33,724		$46,492		$0	$1,395		$47,887
Statewide Renal Education (Operations)		88,593		39,941		50,841		100,000	4,525		155,366
Maintenance & Antirejection Drugs		520,439		445,852		593,556		0	17,807		611,363
Transportation Assistance*		176,500		(60,980)		0		392,834	11,785		404,619
Insurance Premium Assistance		498,429		371,791		70,263		400,000	14,108		484,371
Emergency Medications		3,157		1,766		0		5,000	150		5,150
Patient/Staff Education		13,776		23,297		0		50,000	1,500		51,500
Transplant/Donor Assistance		16,300		8,850		10,000		40,000	1,500		51,500
Nutritional Supplements Program		37,951		12,826		0		50,000	1,500		51,500
Medicaid Spenddown		694,741		1,359,070		364,000		250,000	18,420		632,420
Ticket To Work		27,957		26,753		30,000		0	900		30,900
Cost Containment Research & Demonstration		109,578		44,588		24,220		17,780	1,260		43,260
Total Expense and Equipment		$2,225,507		$2,307,479		$1,189,372		$1,305,614	$74,850		$2,569,836
Grand Total	10.1	$2,710,871	8.8	$2,793,890	5.0	$1,500,000	2.0	$1,380,299	$91,241	7.0	$2,971,540

* Net after Centers for Medicare and Medicaid Services matching funds

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI KIDNEY (RENAL DISEASE) PROGRAM

I. MISSION STATEMENT

The mission of the Missouri Kidney Program (MoKP) is to help meet the educational needs, and to promote the physical and mental well-being of eligible Missouri residents with Chronic Kidney Disease (CKD). In order to accomplish the above mission, the Missouri Kidney Program is committed to the following goals:

- To advocate for policies that ensure no Missourian is denied treatment for kidney failure because of inability to pay.
- To provide financial help to eligible Missourians to defray the in-direct medical expenses related to CKD Stage 5:
    - Benefits range from medications, transportation, and insurance premium assistance depending on our available funding.
- To provide and support the CKD education of Missourians:
    - To promote public awareness and prevention of CKD.
    - To help choose a treatment for kidney failure and to encourage active participation in their medical care.
    - To provide continuing education seminars to the professional disciplines working with the CKD population.
- To increase public awareness of the need for organ donation, and to encourage kidney donations for transplantation.
- To collaborate with other organizations on efforts to prevent kidney disease.
- To promote efforts to delay or avoid the onset of kidney failure for those who have CKD which will reduce associated cost of care.
- To foster the exchange of medical, technical and administrative information among programs and professionals who treat people with CKD.

II. PROGRAM DESCRIPTION:

A. Functions

The MoKP carries out the following programs to accomplish the mission and goals stated above: (1) provision of funds to assist eligible patients with other expenses related to their care (take-home drugs, insurance premiums, etc.); and (2) provision of patient and continuing professional education programs.

B. Eligibility

To receive MoKP assistance, CKD patients must be United States citizens residing permanently in Missouri, or aliens lawfully admitted for permanent residence in the state. Patients must meet an income/asset eligibility requirement for MoKP benefits, however any Missourian is eligible to attend our education programs.

C. Administration

The MoKP is administratively located within University of Missouri Health Care (MU Health Care), and is managed by a director who reports directly to the Dean of the School of Medicine. A statewide advisory council appointed by the Dean of the School of Medicine provides general policy oversight. Although a unique function of the University and MU Health Care, the mission of the MoKP is clearly compatible with the overall mission of the University in terms of education, service and research.

III. PROGRAM JUSTIFICATION

A. High Cost of Kidney Replacement Therapy

As stated above, the mission of the MoKP is to assist Missouri residents suffering the tragedy of total kidney failure to meet their medical, psychosocial and educational needs. Chronic Kidney Disease disproportionately strikes minority and low-income individuals and families. The expense of treatment is staggering: $50,000 to $70,000 annually for kidney dialysis; a kidney transplant operation costs from $110,000 to $160,000. Anti-rejection drugs cost $17,000 a year. Although most CKD (stage 5) patients qualify for automatic Medicare benefits, coverage does not apply during the first 90 days following kidney failure and provides only an 80 percent benefit thereafter. State kidney programs such as the MoKP are necessary to fill this void in coverage, as well as to provide assistance with prescription drugs and deductibles not covered by Medicare.

B. Increased Number of Patients Needing Assistance

Missouri is somewhat unique with regard to Chronic Kidney Disease. Missourians are experiencing kidney failure at a higher rate than the national average. This may be attributed to a number of factors including the general aging of the population and the tendency of CKD to be slanted toward the last trimester of life. The highest rate of increase is in the population over 60 years old, with a disproportionate tendency toward non-Caucasians and persons with diabetes, obesity or hypertension. It is unlikely this trend will change in the foreseeable future and the number of Missourians experiencing CKD will increase. Of the 10,259 CKD patients in Missouri, MoKP is able to provide assistance to only approximately 13 percent of CKD patients. Residents of nearly every Missouri county and every legislative district need and receive MoKP assistance.

C. Summary

The MoKP is a unique resource in Missouri. The funding needs of the MoKP should be evaluated on their own merits, separate from the funding needs of the University of Missouri – Columbia. The continuing and substantial increase in the incidence of Chronic Kidney failure, the implications of which are delineated above and below, justify the request for increased state funding.

IV. PERFORMANCE AND ACTIVITY MEASURES

	FY2011	FY2012	FY2013
A. CERTIFIED and PARTICIPATING RENAL FACILITIES	144	153	153

B. MISSOURI ESRD PATIENTS - Calendar Year data	**CY2009**	**CY2010**	**CY2011**
1. Dialysis Census *	6,943	6,989	7,338
2. Estimated Transplant Census **	2,960	3,270	3,318
Total Census	9,903	10,259	10,656

* Provided from Network 12 data CY2009 and CY2010

** Provided from United Network for Organ Sharing CY2009, CY2010 and CY2011. MoKP served 407 transplant patients as of June 30, 2011.

	FY2011	FY2012	FY2013
ESRD PATIENTS RECEIVING ASSISTANCE	1,895	1,990	2,090

C. PATIENT GROWTH AND UNIT COST PROJECTIONS

The average dollar value of assistance (unit cost) provided to MoKP eligible patients during FY2011 was $1,264. There continues to be consistent and significant growth in CKD patients. Erosion of benefits over the past three years have decreased our ability to fund direct medical expenses to dialysis and transplant facilities, which is a core goal of MoKP. In FY2012, MoKP started the year with a 48% reduction. MoKP had to completely terminate direct patient assistance such as Nutritional Supplements, Medication Co-Pay Assistance, Medicare Premium Assistance, Transportation and Patient/Staff Education. MoKP also reduced Private Premium Assistance, Transplant Assistance grants, the MO HealthNet Spenddown program, and the Eligibility Income/Asset guidelines. In addition, MoKP re-directed all MO HealthNet patients to the states Non-Emergency Medical Transportation program, shifting an additional financial burden to the state. Fortunately through collaborated efforts of the MoKP staff, treatment and other expenses are increasingly minimized with Medicare, Mo HealthNet, and commercial insurance. Efforts with the centralized drug program, which provides maintenance and anti-rejection drugs, have been especially successful with the addition of Medicare Part D, MO Rx, and continued success with the contract pharmacy.

Following is an analysis of actual and projected dollar value of assistance (unit cost) for FY2011 and for FY2013 respectively, assuming 5% annual patient growth from FY2011 and FY2012 if restoration of the core is restored and the increase for sustaining quality and service is received.

	FY2011 ACTUAL		**FY2013 PROJECTED**	
Type of Assistance	Number of Patients	Unit Cost $	Number of Patients	Unit Cost $
Maintenance & Anti-rejection Drugs	1,559	286	1,718	355
Transportation	321	527	353	1,146
Insurance Premiums	497	748	547	885
Emergency Medications	3	589	3	1,716
Transplant Donor Assistance	16	553	18	2,861
Nutritional Supplements	74	173	82	628
Medicaid Spenddown	942	1,443	1,038	609
Ticket to Work	42	637	46	671
Unduplicated Patients Served/Average Unit Cost	1,895	1,264	2,090	1,087

Missouri Kidney Program
FY2011 Patient Assistance
(by county)

Dollars
(Patients)

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Kidney Program
Program is found in the following core budget(s): University of Missouri - Missouri Kidney Program

1. What does this program do?

The MoKP carries out two basic functions: (1) provision of funds to assist eligible patients with other expenses related to their care (take-home drugs and insurance premiums, etc.); and (2) provision of patient and continuing professional education programs.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 172.875, RSMo

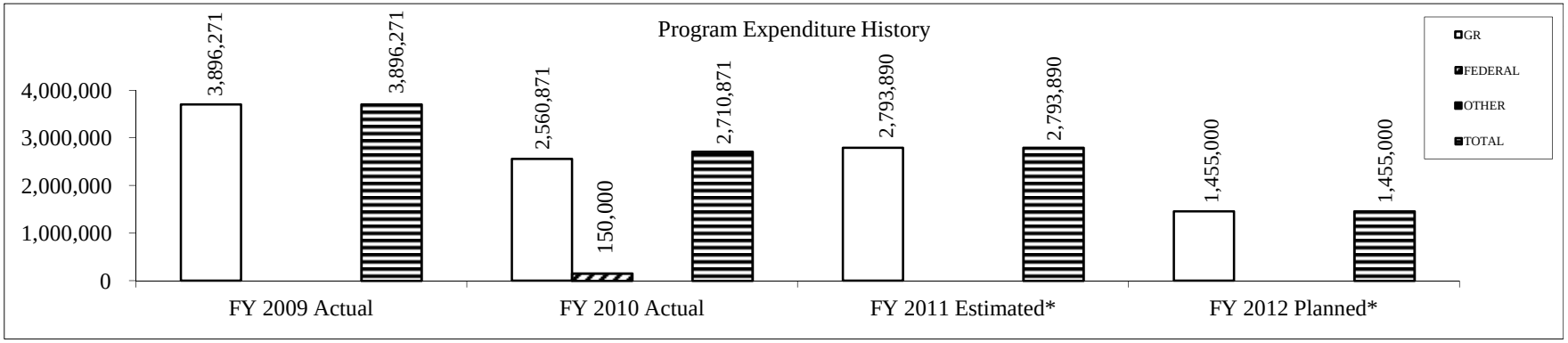
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



* Net of 3% Governor's withholding

Department of Higher Education
Program Name: Missouri Kidney Program
Program is found in the following core budget(s): University of Missouri - Missouri Kidney Program

6. What are the sources of the "Other " funds?

None

7a. Provide an effectiveness measure.

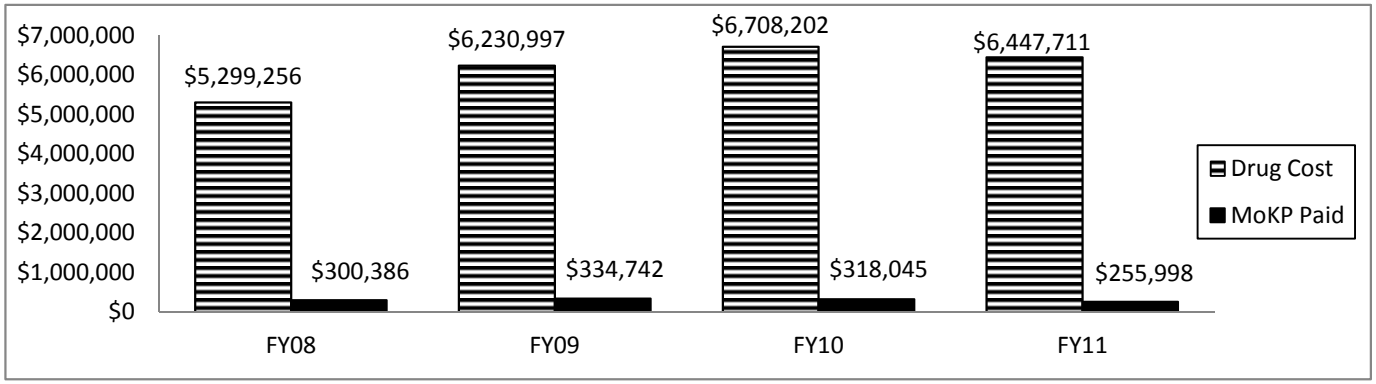
MoKP effectiveness is measured by the number of dollars of the appropriation going to reimburse patient care, education and research activities. MoKP expends about 81% of its appropriation for patient care related activities.

FY 08		FY 09		FY 10 Estimated		FY 11 Estimated		FY 12 Projected		FY 13 Projected	
Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp
$3,279,616	$3,896,271	$3,004,385	$3,701,457	$2,098,828	$2,710,871	$2,233,813	$2,793,890	$1,178,550	$1,455,000	$1,213,907	$1,498,650

7b. Provide an efficiency measure.

MoKP's single largest expense is the Centralized Drug Program which supplies needed pharmaceuticals to patients statewide via mail-order. Kilgore's Medical Pharmacy was awarded the contract to provide this service, including the billing of 3rd party payors. MoKP assumes the role of payor of last resort for patients whose treatment is not covered by Medicare/Medicaid or private health insurance. The data below summarizes actual expenditures for the past four years based on dispense date.

FY 08		FY 09		FY 10		FY 11	
Drug Cost	MoKP Paid	Drug Cost	MoKP Paid	Drug Cost	MoKP Paid	Drug Cost	MoKP Paid
$5,299,256	$300,386	$6,230,997	$334,742	$6,708,202	$318,045	$6,447,711	$255,998



PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Kidney Program
Program is found in the following core budget(s): University of Missouri - Missouri Kidney Program

7c. Provide the number of clients/individuals served, if applicable.

The table below lists the number of clients served and the projected need in one or more of our programmatic entities. We have maximized our patient service delivery capabilities by micromanaging our current appropriation level. The need far exceeds the level of appropriation that has been available. The projections listed for FY12 and FY13 are based on need.

FY07	FY08	FY09	FY10	FY11	FY12 Proj	FY13 Proj
2,539	2,563	2,491	2,338	1,895	1,990	2,090

7d. Provide a customer satisfaction measure, if available.

MoKP has conducted a Patient Satisfaction Analysis program for eight years. Each month 30 patients, who are being renewed for benefits are randomly selected to receive the questionnaire. The questionnaire is mailed to the patient along with a stamped, self addressed envelope to a P.O. Box here in Columbia rented by MoKP under the name Customer Satisfaction Research Branch. The patient submits responses anonymously without signing the response form. The program continues to receive favorable customer satisfaction rating. We have chosen not to attempt to project patient responses for the current or outlying years because we have no accurate predictive model for patient responses to questionnaires.

	FY07	FY08	FY09	FY10	FY11
Questionnaires Received	100	96	89	94	52

NEW DECISION ITEM REQUEST

MISSOURI KIDNEY PROGRAM
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Kidney Program**
Decision Item Name: **Restoration of the Core and Increase for Sustaining Quality and Service: $1,471,540**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This request is for state general revenue funds to restore the core budget to appropriate funding levels. It includes restoration of the $1,380,299 core cut in FY2012 and an increase of $91,241 for sustaining quality and service.

II. DESCRIPTION

Life-threatening renal (kidney) disease impacts citizens throughout the State of Missouri, and The Missouri Kidney Program (MoKP) eases this chronic disease burden by touching almost every county in the State of Missouri. The MoKP's mission is to assist eligible Missouri residents who have chronic renal insufficiency or renal transplant to meet their medical, educational, and psychosocial needs.

There are 6,989 End-Stage Renal Disease (ESRD) dialysis patients throughout Missouri. There are 3,270 kidney transplant patients in Missouri, totaling 10,259 patients. Unfortunately, due to the FY2012 year budget cuts MoKP can barely assist 13% of this population. With the growing trend in Missouri of diabetes, obesity, hypertension, and the elderly population, renal disease is increasing. In calendar year 2010, there were 2,120 patients in Missouri newly diagnosed with Chronic ESRD. Not only is the patient population increasing dramatically, the cost of kidney treatment and related expenses continue to rise. Further MoKP budget cuts will reduce its ability to assist this growing and chronically ill population.

It is imperative to restore the MoKP budget back to the level of its FY2012 core appropriation so MoKP can fulfill its mission of providing education, research, and direct patient assistance to chronic ESRD patients. With this 48% reduction in the FY2012 appropriation, MoKP has had to completely terminate direct patient assistance such as Nutritional Supplements, Medication Co-Pay Assistance, Medicare Premium Assistance Transportation, and Patient/Staff Education. MoKP has also reduced the Private Premium assistance, Transplant Assistance grants, the MO HealthNet Spenddown program, and the Eligibility Income/Asset guidelines. In addition, MoKP re-directed all MO HealthNet patients to the states Non- Emergency Medical Transportation program, shifting an additional financial burden to the state.

MoKP has completely terminated all cost containment research grants, which has enjoyed a 20+ year tradition of strategizing potential cost reductions in the renal field. They have also had to discontinue outreach screening collaboration and community education with the National Kidney Foundation.

In addition, the 48% reduction of funding reduced the program's educational efforts which were geared toward prevention and pre-dialysis patients. These preventive educational strategies focused on informing Missourians on ways to avoid or delay dialysis, or direct them to pre-emptive transplantation.

Without prevention education, the number of ESRD Missourians increases, which puts an additional burden on the individual and family, healthcare community, and state/Federal resources (MO HealthNet program, Medicare and Social Security Disability). On an individual level, MoKP's mission is to promote and educate healthy kidney patients, who can remain employed, plus enjoy an active and productive quality of life. Recent budget reductions, limit the number of Missourians that can be supported.

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III. COST EXPLANATION

Restoration of Core Funding	$1,380,299
Increase for Sustaining Quality and Service	91,241
Total Increase from State Appropriation	**$1,471,540**

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	FY2010 Actual	FY2011 Estimated	FY2012 Appropriation	Increase for Rural Initiative	FY2013 Request
EXPENDITURES:					
Program Operations					
Shared Network, Research, Video	$9,363,857	$6,451,160		$33,271	$33,271
Higher Education Connections	582,153	1,216,309	$50,000	93,914	143,914
K12 Schools Connections	7,600,239	7,883,303		189,533	189,533
Total Expenditures	$17,546,249	$15,550,772	$50,000	$316,718	$366,718
FTE Employees	48.6	43.4		0.5	0.5
SOURCES OF FUNDS:					
State Appropriations - Recurring	$6,441,078	$0	$50,000	$316,718	$366,718
State Appropriations - Non-Recurring					
Other	11,105,171	15,550,772			
Total Sources	$17,546,249	$15,550,772	$50,000	$316,718	$366,718

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	FY2010 Actual		FY2011 Estimated		FY2012 Approriation		Increase for Rural Initiative		FY2013 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
PERSONAL SERVICES:										
Teaching & Research										
Exec., Admin., Managerial										
Professional	48.6	$2,588,969	43.4	$2,039,257			0.5	$31,756	0.5	$31,756
Technical										
Office										
Other										
Staff Benefits		725,612		832,936						0
Total Personal Services	48.6	$3,314,581	43.4	$2,872,193	-	$0	0.5	$31,756	0.5	$31,756
EXPENSE AND EQUIPMENT:										
Fuel and Utilities										
Library Acquisitions										
Equipment										
All Other		$14,231,668		$12,678,579		$366,718		$284,962		$334,962
Total Expense & Equipment		$14,231,668		$12,678,579		$366,718		$284,962		$334,962
Grand Total	48.6	$17,546,249	43.4	$15,550,772	0.0	$366,718	0.5	$316,718	0.5	$366,718

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

I. MISSION STATEMENT

MOREnet's Vision

We will lead Missouri and the nation in the innovative application of technology for the benefit of the public.

MOREnet's Core Purpose

MOREnet works with its members to set and support Missouri's information technology goals and directions. We explore and deliver new ways to enhance learning opportunities to create a better quality of life for all Missourians.

II. PROGRAM DESCRIPTION

The Shared Network

The Shared Network enables the delivery of important public services throughout the state. With this network, members of the education community interact with each other via data and video services, public sector business applications are built and conducted on it, and Missouri citizens interact with their state government through it. Because the intra-state network's design connects several major population centers in the state, MOREnet can provide increased network security, reliability and quality of service, qualities essential for electronic collaboration by Missourians, including video and distance learning, MOBIUS, the Missouri Telehealth Network, and online resources funded through House Bill 12.

Member Connections

MOREnet manages over 1,000 member connections statewide. Member connections link each MOREnet member to the Shared Network. These connections are the essential paths needed to get data to the Shared Network and connect students, parents, teachers and citizens to the rest of the state and the world. Public library member connections funded by House Bill 12.

Shared Network Capacity and Procurement

MOREnet aggressively seeks new bids for Shared Network circuits and pursues other cost savings options with Internet service providers on a recurring basis. The demand for Internet access and Shared Network services continues to grow at a rapid pace. Although there are fewer new sites being added to the network, additional workstations and greater use of electronic resources and communications by students, faculty and staff continue to push bandwidth demand higher. In addition, the citizens of Missouri are continuing to interact with state government via electronic transactions and communications. MOREnet is continually seeking new ways to manage the growth in demand without adversely affecting education and government. MOREnet is aggressively pushing the telecommunications providers for reasonably priced bandwidth and services.

Why state support is critical to program success?

MOREnet has historically used the appropriation to "level the playing field" for its members, ensuring that students in rural areas get the same opportunities as those in major metopolitan areas to gain exposure to digital content and learning platforms. Cost for telecommunications can vary widely across Missouri's geography, and the telecommunications marketplace does not provide reasonable competitive solutions across the state. Our experience has shown costs can vary as much as 10 fold for identical services. Access to quality Internet is no longer optional for most MOREnet members as mission-critical communications and services shift to the Internet model. State support ensures that financial issues are not a factor in providing access to students.

III. PERFORMANCE AND ACTIVITY MEASURES

	Actual FY2010	Actual FY2011	Projected FY 2012	Projected FY 2013
Member Connections (Total MOREnet)	1,012	983	1,000	1,000
Total Access to Missouri Backbone from Member Connections (Gb)	11.331	15.054	18.800	23.500
Network Backbone Capacity Minimum Hub-to-Hub capacity (Gb)	10.000	10.000	10.000	10.000
Video Events	21,047	21,636	20,000	20,000

PROGRAM DESCRIPTION

Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

1. What does this program do?

Established in 1991, MOREnet is a collaborative effort of the University of Missouri System, the Department of Higher Education, the Department of Elementary and Secondary Education, the Secretary of State, and the Office of Administration. MOREnet provides Internet connectivity, access to the national advanced research network (Internet2), network consulting, security and technical support, videoconferencing services and training to Missouri's elementary, secondary, and higher education communities, public libraries, health care, state government and other affiliated non-profit organizations.

The MOREnet network (the Shared Network) is the foundation infrastructure that enables delivery of numerous public services throughout the state. Members of the education community interact with each other via data and video services, public sector business applications are built and conducted on it, and Missouri citizens interact with their state government through it. An important feature of the Internet connectivity provided by MOREnet is the high speed intra-state network consisting of six circuits connecting several major population centers in the state. This intra-state network provides a responsiveness, robustness, level of security, and reliability of service that is essential to the quality of service necessary to promote e-government and electronic collaboration for Missourians, including video and other distance learning, the shared catalog for state academic libraries, a network of clinics providing high quality specialty medical care in rural or other underserved communities, and the sharing of online databases of information, among other initiatives.

Member connections link each MOREnet member to the Shared Network and the Internet. MOREnet manages over 1,000 member connections statewide. Public library connections are funded through House Bill 12. MOREnet also supports video distance learning production services, which enables Missouri's colleges, universities, schools and libraries to make their educational and training programs readily accessible to citizens and students throughout the state. MOREnet coordinates event schedules and provides technical support during the weekdays, evenings and weekends.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

MOREnet operates as a separate unit within the University of Missouri System which is authorized by both the state Constitution (Article IX, Section 9) and state statute (Section 172 RSMo). The MOREnet Council, consisting of representatives from the Secretary of State, Department of Higher Education, Department of Elementary and Secondary Education, the University of Missouri, the Office of Administration, local schools, libraries, and higher education, was formed in 2003 to direct and oversee planning and budgeting for the Shared Network infrastructure.

3. Are there federal matching requirements? If yes, please explain.

MOREnet is able to leverage federal reimbursements through the Universal Service Fund for Schools and Libraries, also known as the E-rate program. This federal program provides discounts on telecommunication services, Internet access, and internal connections for all eligible K-12 schools and libraries.

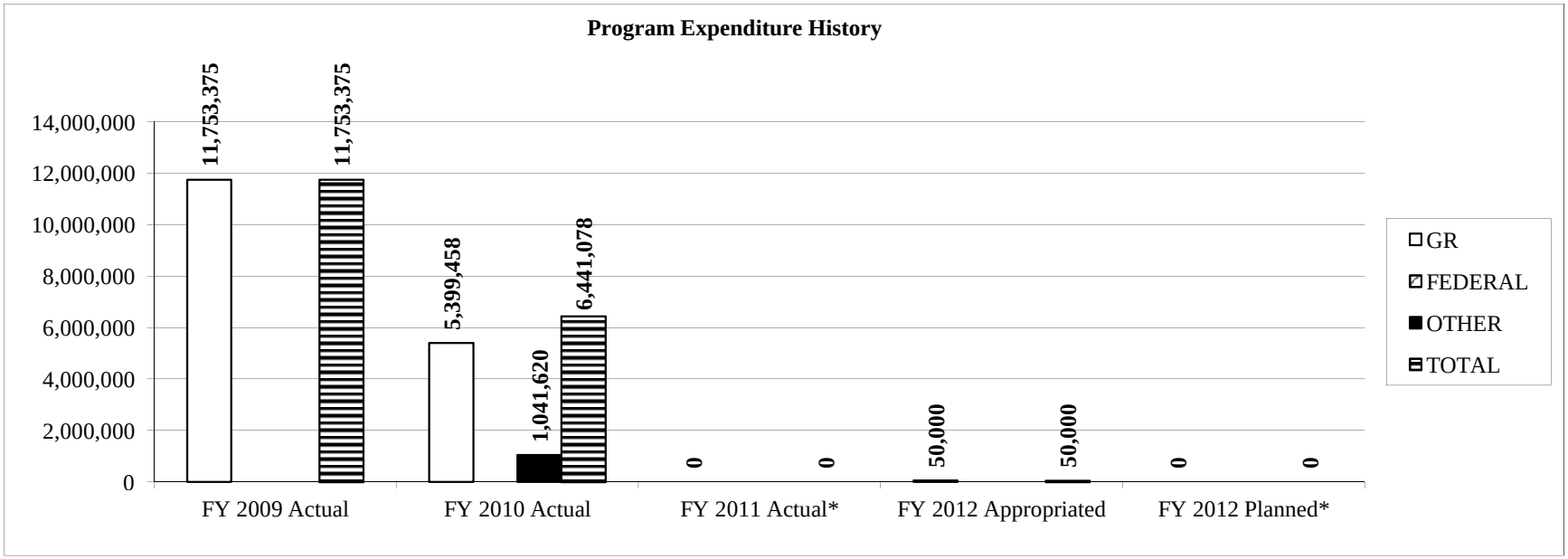
4. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



* Net of additional withholding equal to entire amount of appropriated amount.

6. What are the sources of the "Other " funds?

FY10: Federal Budget Stabilization Fund

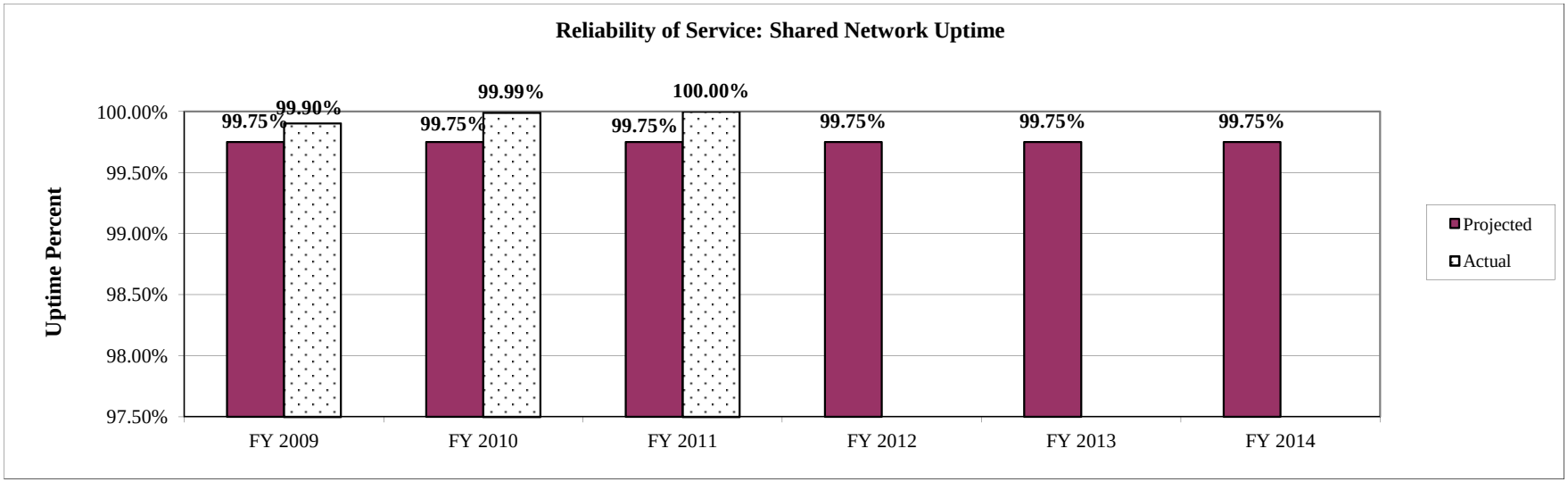
Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

7a. Provide an effectiveness measure.

Reliability of Service: Shared Network Uptime

This measurement provides uptime information on the Shared Network and it's availability for members use. The information provided is based on network availability on a 24 hours per day x 7 days per week x 365 days per year basis and includes down time due to planned and unplanned maintenance.

	FY 2009 Projected	FY 2009 Actual	FY 2010 Projected	FY 2010 Actual	FY 2011 Projected	FY 2011 Actual	FY 2012 Target	FY 2013 Target	FY 2014 Target
Member Network Uptime	99.75%	99.90%	99.75%	99.99%	99.75%	100.00%	99.75%	99.75%	99.75%

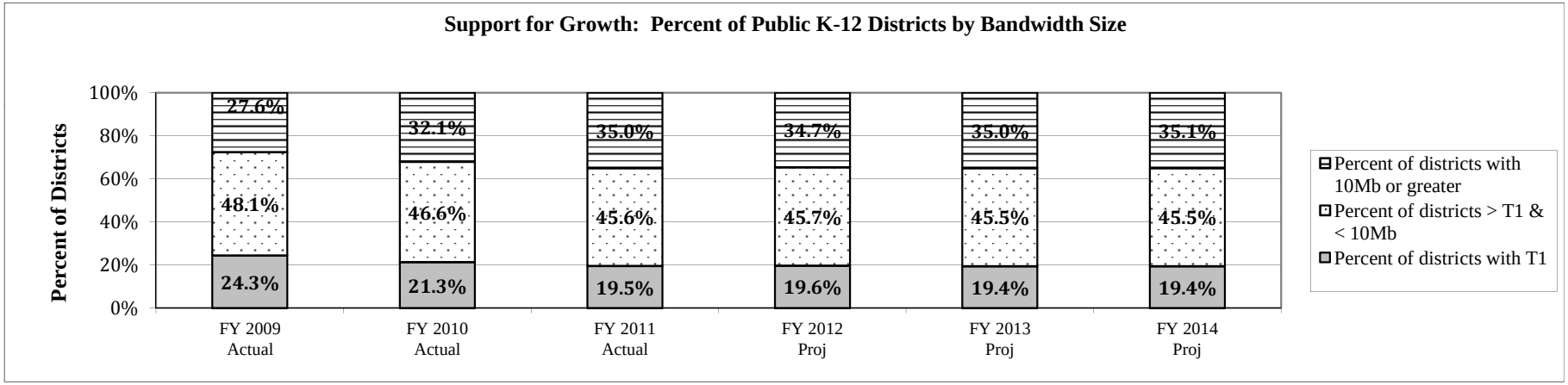


Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

Serving the Needs of Schools, Access for All and Support for Growth: Percent of Public K-12 Districts by Bandwidth Size

In the 2002 – 2006 Education Technology Goals and Objectives document, approved by the State Board of Education, DESE has stated that "all school administrators, teachers, staff, and students will have equitable access to education technologies that promote student performance and academic achievement". This goal is supported through MOREnet by currently serving 91% of Missouri's public school districts. Students in small districts, have the same robust, reliable and secure access to educational resources available on the Internet, as students in districts with more resources. Districts' demand for connectivity includes to grow as they add additional computers to their networks, access web based resources to supplement library holdings and enhanced curriculum, interact with parents and students, and conduct business with the state.

	FY 2009 Projected	FY 2009 Actual	FY 2010 Projected	FY 2010 Actual	FY 2011 Projected	FY 2011 Actual	FY 2012 Target	FY 2013 Target	FY 2014 Target
Pct 10Mb+	24.9%	27.6%	33.5%	32.1%	38.2%	35.0%	34.7%	35.0%	35.1%
Pct > T1 & < 10Mb	45.4%	48.1%	49.4%	46.6%	42.4%	45.6%	45.7%	45.5%	45.5%
Pct with T1	29.7%	24.3%	17.1%	21.3%	19.4%	19.5%	19.6%	19.4%	19.4%



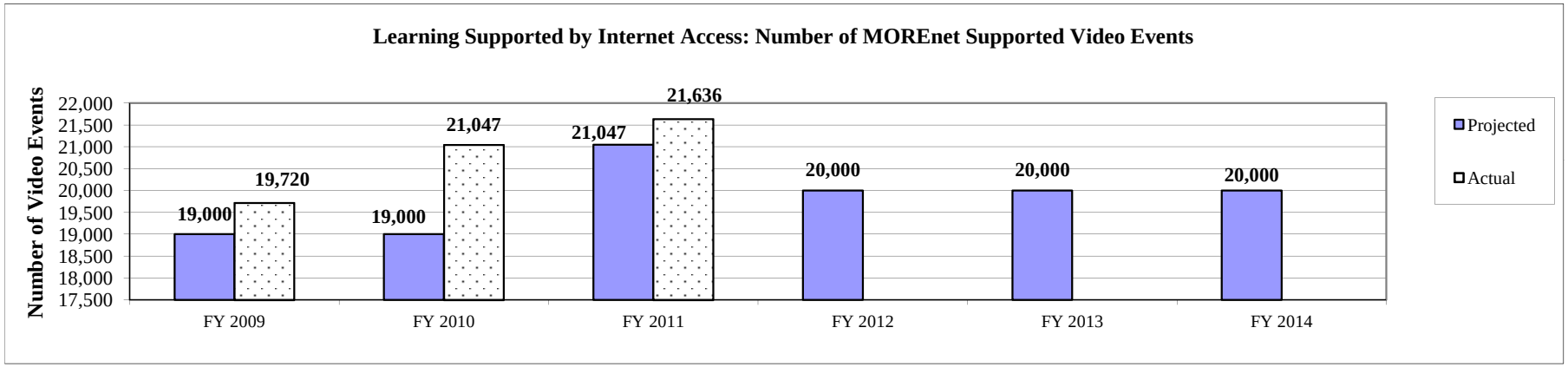
Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

Learning Supported by Internet Access: Number of MOREnet Supported Video Sites and Events

The reliability and security of the MOREnet network has enabled the growth in classes and courses supported by Internet access in Missouri, improving and increasing educational opportunities throughout the state. These courses include many types of delivery methods such as video classes enabled by MOREnet. Currently there is no single, consistent source of information on the number and type of courses enabled by the Shared Network.

	FY 2009 Projected	FY 2009 Actual	FY 2010 Projected	FY 2010 Actual	FY 2011 Projected	FY 2011 Actual	FY 2012 Target	FY 2013 Target	FY 2014 Target
Video Events	19,000	19,720	19,000	21,047	21,047	21,636	20,000	20,000	20,000
Video Sites*	68,000	72,076	68,000	78,095	78,095	78,161	76,000	76,000	76,000

*The average video event includes participation between several sites.



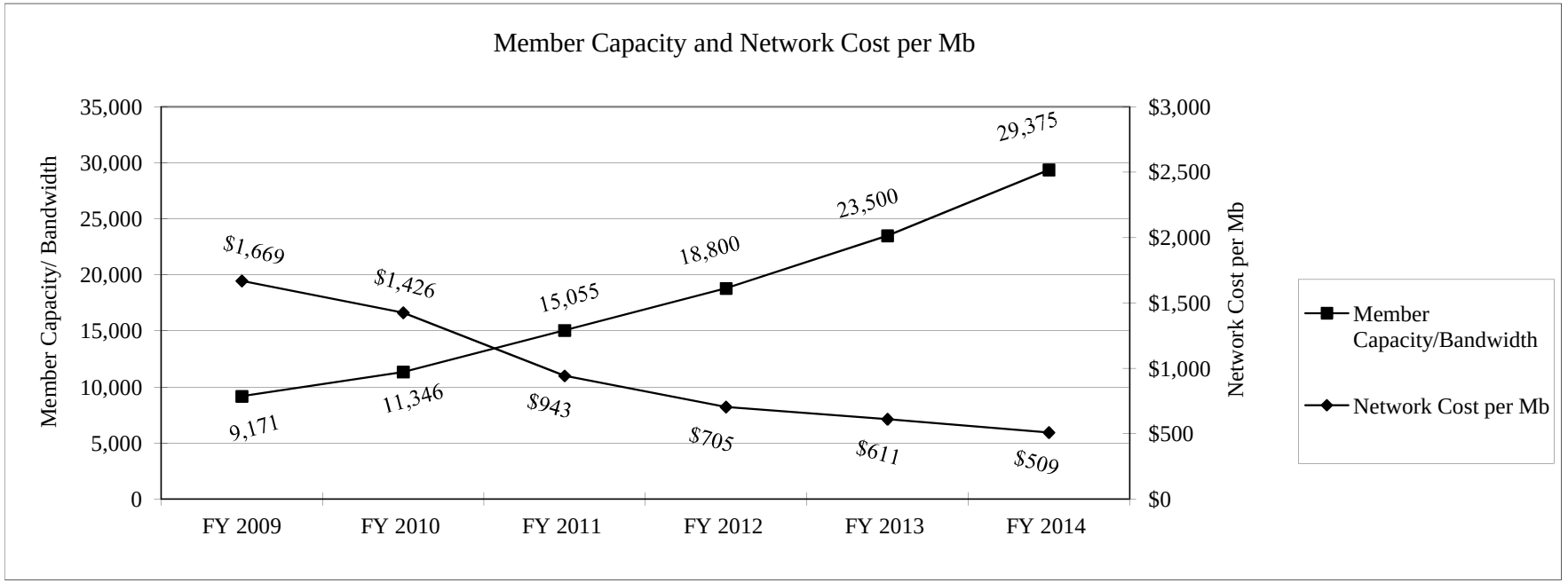
Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

7b. Provide an efficiency measure.

Demand Growth and Cost Efficiency: Capacity and Cost per Mb

The demand for Internet access continues to grow at a rapid pace. Although there are fewer new sites being added to the network, additional workstations and greater use of electronic resources and communications by students, faculty, and staff continues to push bandwidth demand higher. In addition, the citizens of Missouri are increasing their interaction with state government via electronic transactions and communications that run across MOREnet's network. MOREnet continually seeks new ways to manage the growth in demand without adversely affecting education and government, including aggressively seeking new bids for all telecommunications circuits.

	FY 2009 Projected	FY 2009 Actual	FY 2010 Projected	FY 2010 Actual	FY 2011 Projected	FY 2011 Actual	FY 2012 Target	FY 2013 Target	FY 2014 Target
Member Capacity in Mb	9,500	9,171	12,500	11,346	13,615	15,055	18,800	23,500	29,375
Network Cost per Mb	$1,619	$1,669	$1,305	$1,426	$1,235	$943	$705	$611	$509



Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

7c. Provide the number of clients/individuals served, if applicable.

MOREnet provides Internet connections to 100% of public higher education institutions, 92% of major four-year private not-for-profit higher education institutions, 91% of public elementary and secondary districts, and 97% of eligible public libraries in the state, as well as state government, the Missouri Telehealth Network, and the University of Missouri Extension offices. Citizens accessing the websites of any of these institutions do so via services provided by MOREnet.

Program	FY 2009 Projected	FY 2009 Actual	FY 2010 Projected	FY 2010 Actual	FY 2011 Projected	FY 2011 Actual	FY 2012 Target	FY 2013 Target	FY 2014 Target
K-12 Districts	519	518	518	519	518	518	518	518	518
Colleges and Universities	66	66	66	65	65	64	64	64	64
Library Districts[1]	134	133	134	135	134	132	132	132	132
Affiliate Members[2]	38	20	20	20	19	19	19	19	19
Total Members	757	737	738	739	736	733	733	733	733

[1] Note: Multiple affiliated library branches are included in member counts as single library district and a single MOREnet member.

[2] Affiliate members include non-profit entities, proprietary higher education institutions (beginning in FY08/FY09), state agencies, and non-degree granting UM entities. Note: Adjustment to methodology for counting Affiliate members made for FY09 Actuals and beyond. Change mostly related to decision to count all state agencies as a single member.

	FY 2009 Projected	FY 2009 Actual	FY 2010 Projected	FY 2010 Actual	FY 2011 Projected	FY 2011 Actual	FY 2012 Target	FY 2013 Target	FY 2014 Target
Public	223,096	228,922	228,922	245,455	245,455	212,375	212,375	212,375	212,375
Private Not-For-Profit	111,425	112,520	112,520	114,234	114,234	89,739	89,739	89,739	89,739
Postsecondary Students[3]	334,521	341,442	341,442	359,689	359,689	302,114	302,114	302,114	302,114
Public K-12 Students[4]	870,260	865,615	865,615	889,487	889,487	889,451	889,451	889,451	889,451
Total Students	1,204,781	1,207,057	1,207,057	1,249,176	1,249,176	1,191,565	1,191,565	1,191,565	1,191,565

[3] For FY2009 to FY2011 projected, student count is based on headcount enrollment. For FY2011 Actual to FY2014, student count is based on full-time equivalent enrollment.

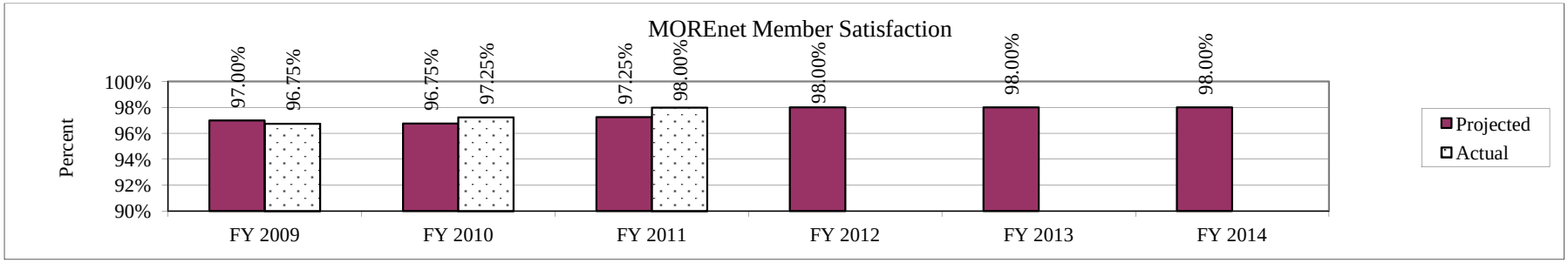
[4] Student count does not include Missouri School for the Deaf or Missouri School for the Blind.

Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

7d. Provide a customer satisfaction measure, if available.

All members contacting MOREnet technical support for assistance receive an electronic satisfaction survey following the resolution of their issues. This survey asks the member to rate MOREnet performance in five areas: staff knowledge, effectiveness of solution, timeliness of resolution, staff communication skills, and courteous service. The data shown below is averaged across all members, types of assistance, and areas of performance.

	FY 2009 Projected	FY 2009 Actual	FY 2010 Projected	FY 2010 Actual	FY 2011 Projected	FY 2011 Actual	FY 2012 Target	FY 2013 Target	FY 2014 Target
Help Desk Satisfaction	97.00%	96.75%	96.75%	97.25%	97.25%	98.00%	98.00%	98.00%	98.00%



NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: Higher Education Unrestricted
Level 2 University of Missouri-Other Programs
Level 3 Missouri Research and Education Network (MOREnet)
Decision Item Name: Rural Initiative Circuit and Shared Network Costs: $316,718
Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

MOREnet works with its members to set and support Missouri's information technology goals and directions. They explore and deliver new ways to enhance learning opportunities to create a better quality of life for all Missourians. MOREnet has historically used the appropriation to "level the playing field" for its members, ensuring that students in rural areas get the same opportunities as those in major metropolitan areas to gain exposure to digital content and learning platforms.

The Shared Network
The Shared Network enables the delivery of important public services throughout the state. With this network, members of the education community interact with each other via data and video services, public sector business applications are built and conducted on it, and Missouri citizens interact with their state government through it. Because the intra-state network's design connects several major population centers in the state, MOREnet can provide increased network security, reliability and quality of service, qualities essential for electronic collaboration by Missourians, including video and distance learning, MOBIUS, the Missouri Telehealth Network, and online resources. The purpose for this request is to fund a portion of the Shared Network for K-12 and higher education communities primarily in rural locations.

Member Connections
MOREnet manages over 1,000 member connections statewide. Member connections link each MOREnet member to the Shared Network. These connections are the essential paths needed to get data to the Shared Network and connect students, parents, teachers and citizens to the rest of the state and the world. The purpose of the request is to fund K-12 and higher education circuit costs above MOREnet's megabyte median.

The funding requested will ensure that all MOREnet members pay connectivity costs that are comparable to those in Missouri urban areas. Implementing these changes will help to create parity in rates throughout the state. MOREnet has worked to contain costs through administrative efficiency, competitive bidding, and innovative technological solutions. However, some rural or underdeveloped K-12 and higher education communities still lack affordable connectivity options compared to other communities in Missouri. Failure to provide financial assistance to K-12 and higher education members that experience higher-than-average telecommunications costs will lead to inequality in telecommunication fees and reduced connectivity for those members.

II. DESCRIPTION

MOREnet members who pay more than the cost per megabyte median for their program will be covered by the funding. The cost per megabyte median will be used because it allows for an emphasis on smaller underserved K-12 and higher education communities to benefit from the funding. For higher education sites, the Shared Network and connections cost median is $1,315 per megabyte. For K-12 sites, the Shared Network and connections cost median is $1,216 per megabyte. There are 277 MOREnet member locations that pay more than the median for Shared Network and connections costs.

III. COST EXPLANATION

Based on April 2011 circuit cost and FY12 preliminary budget for network connectivity costs, the funding would assist:

- 20 higher education's sites for a total cost of $101,422
- 257 K-12's sites for a total cost of $215,296

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service	.50	$31,756	$284,962	$316,718
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements				**$316,718**

Total Increase from State Appropriation **$316,718**

IV. EVALUATION OF OUTCOMES

Affordable connectivity for Missouri's K-12 and higher education communities will allow member students and faculty access to the basic needs of the education community for routine research and access to content to supplement outdated textbooks. Demand for capacity has grown steadily as schools have begun to depend on Internet connectivity to enhance and facilitate classes and other services. Adequate connectivity is necessary to continue to support the significant educational advancements enabled by educational resources -- tools such as class delivery by video, online information resources, Web resources and research tools, and virtual field trips. These educational tools are particularly important for K-12 students who may not have access to classes or facilities due to illness, disabilities, rural locations, under-resourced school districts, etc., and for working adults who would not be able to pursue higher educational opportunities without courses and degree programs enabled by the Internet.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI TELEHEALTH NETWORK

	FY2010 Actual	FY2011 Actual	FY2012 Planned & FY2013 Core	Increase for Sustaining Quality & Service	FY2013 Request
EXPENDITURES:					
Program Operations	$767,524	$589,351	$437,640	$15,393	$453,033
Total Expenditures	$767,524	$589,351	$437,640	$15,393	$453,033
FTE Employees	5.1	4.3	1.9		1.9
SOURCES OF FUNDS:					
State Appropriations					
Recurring - GR	$94,264	$151,711	$0	$15,393	$15,393
Recurring - Healthy Families Trust	437,640	437,640	437,640		437,640
Non-State Revenues					
Other *	235,620	0	0		0
Total Sources	$767,524	$589,351	$437,640	$15,393	$453,033

* Other was one time Federal Stabilization grant funds for equipment.

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI TELEHEALTH NETWORK

	FY2010 Actual		FY2011 Actual		FY2012 Planned & FY2013 Core		Increase for Sustaining Quality & Service	FY2013 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching & Research	0.1	$31,283	0.1	$31,283	0.1	$31,428	$943	0.1	$32,371
Exec., Admin., Managerial	0.9	77,060	1.0	83,344	0.1	6,126	184	0.1	6,310
Professional	0.9	35,910	0.3	14,316	0.4	15,481	464	0.4	15,945
Technical	0.9	41,814	0.9	61,558	0.8	34,337	1,030	0.8	35,367
Office	2.3	82,938	2.0	71,254	0.6	24,708	741	0.6	25,449
Other		23,255		23,175		0	0		0
Staff Benefits		66,708		67,729		33,097	3,257		36,354
Total Personal Services	5.1	$358,968	4.3	$352,659	1.9	$145,177	$6,619	1.9	$151,796
EXPENSE AND EQUIPMENT:									
Equipment		$256,944		$9,224		$61,586	$1,848		$63,434
All Other		151,612		227,467		230,877	6,926		237,803
Total Expense & Equipment		$408,557		$236,692		$292,463	$8,774		$301,237
Grand Total	5.1	$767,524	4.3	$589,351	1.9	$437,640	$15,393	1.9	$453,033

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI TELEHEALTH NETWORK

I. MISSION STATEMENT

The Missouri Telehealth Network (MTN) exists to enhance access to care in underserved areas of Missouri, to provide educational opportunities for healthcare providers, to further homeland security efforts related to disaster preparedness and to be available in the event of a disaster and to provide research opportunities to clinicians wanting to study telehealth.

II. PROGRAM DESCRIPTION

MTN began in 1994 as one of the nation's first public-private partnerships in telehealth. A 9-site network was initially developed with federal support coming from the Health Resources and Services Administration's Office and private support coming from telecommunication companies, as well as each telehealth site. More recently, funding for the Missouri Telehealth Network has been provided from the University of Missouri Health Care and the State of Missouri. Also, the Missouri Telehealth Network site network charges have been funded through grants with the Missouri Department of Health and Senior Services and the Missouri Primary Care Association.

The project has four major objectives: 1) to provide high quality specialty care in rural or other underserved communities through the use of digital telecommunications technology; 2) to be available for biological attack preparedness and response; 3) to provide continuing medical education (CME) required for medical licensure to participating physicians, which is especially important for those who practice in underserved communities; and (4) to serve as a resource for healthcare institutions and clinicians wanting to study telehealth.

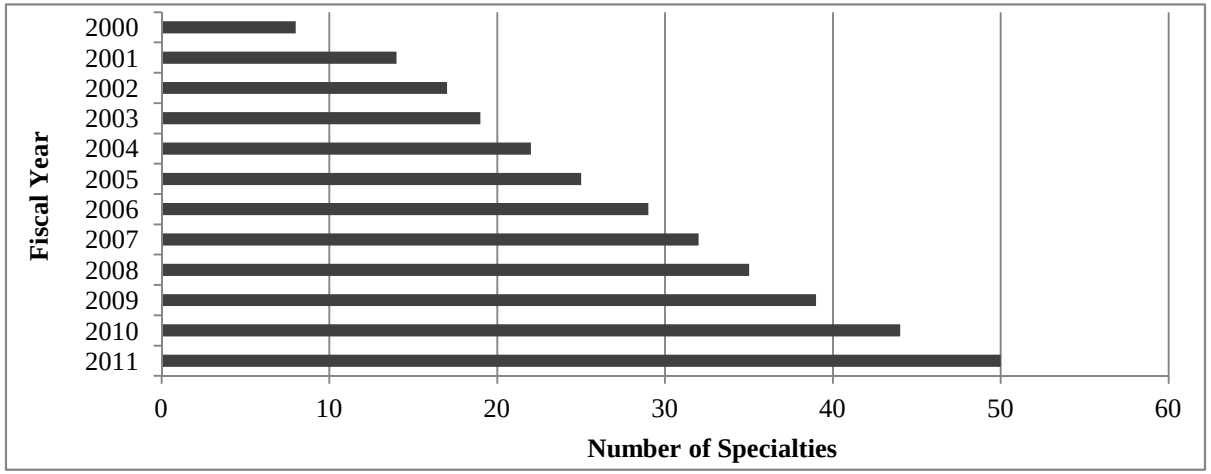
Telehealth sites may be equipped with interactive videoconferencing equipment, teleradiology equipment or both. Sites with interactive video are typically equipped with document cameras, video scope systems and electronic stethoscopes as needed. Even though the physicians and patients are geographically separated, these interactive technologies allow for a sufficient examination of the patient in real time. Not to mention that keeping services local helps the rural economy through greater utilization of pharmacies, laboratories, radiology departments, etc.

Continuing education is critically important to doctors in rural and underserved communities. First and foremost, they are required to have 25 hours of Category 1 CME credit per year in order to maintain their medical license. These requirements mean that doctors have to leave the communities, where they are needed on a daily basis, in order to attend programs that will grant them CME hours. If these doctors have access to continuing education through telehealth, they can receive additional training about issues or topics relative to their communities without leaving the community, or the patients in need. This is particularly important because often they are the only healthcare providers in the area. Over 500 continuing medical education credits were granted to health professionals on the network in FY2011.

The Missouri Telehealth Network currently has 247 sites statewide in 61 counties and the City of St. Louis. In 2011, 69 medical professionals in 29 specialties conducted more than 15,386 clinical encounters via telehealth. Missouri Telehealth Network sites include hospitals, federally qualified health centers, rural health clinics, community mental health clinics, state facilities, an army hospital, two schools of medicine, a school of nursing, the Missouri Department of Health and Senior Services and many other types of health care facilities.

The following chart shows the historical growth in specialty services provided by the Missouri Telehealth Network. The first recurring appropriations were received in FY2008. The growth in specialty services is important to meet the needs of rural and underserved Missouri citizens who do not have access to these services through conventional delivery systems.

The historical growth in MTN services is depicted in the chart below followed by a list of specialties added each year.



Fiscal Year	Specialties Added
2000	Cardiology, Dermatology, Endo/Diabetes, Neurology, Pediatric Specialty, ENT Surgery, General Surgery, Orthopaedics
2001	Child Psychiatry, Neuropsychology, Pathology, Physical Medicine & Rehabilitation, Reconstructive/Cosmetic, Psychology
2002	Diabetes Education, Eating Disorder, Vascular Surgery
2003	Anesthesiology, Burn Rehabilitation
2004	Autism, Internal Medicine, Neuro-Surgery
2005	Genetics, Infectious Diseases, Rheumatology
2006	Trauma, Gastroenterology, Pediatric Dermatology, Oncology
2007	Occupational Injury, Bariatric Surgery, Sign Language Video Medical Interpretation
2008	Peds Infectious Diseases, Sports Medicine, Pediatric Hematology
2009	Pathology, Speech Therapy, Ped & Adult Nephrology, Ped Endocrinology
2010	Autism Behavior Support, Family Medicine, Nutrition Therapy, Ped Pulmonary, Urology
2011	Emergency Medicine, Radiology, Social Work, Surgery - Cardiothoracic, Surgery - Pediatric, Surgery - Urology

Below are some notable examples of how telehealth is improving the lives of Missourians who live in areas that are medically underserved:

* A young couple from southern Missouri with a new baby with a ulcerated hemangioma was able to be seen quickly via telehealth, and was successfully treated over the course of several visits. The family resources would have been strained by the multiple long trips, some of which were scheduled at the last minute due to complications.

* A teenager from Sikeston was in the care of a pediatric endocrinologist and would come to appointments with her grandmother. Her diabetes was well controlled and she was discussing her transfer to adult endocrinology with her physician. In the course of the discussion her provider found out that she was depressed and was dealing with a lot of difficult personal issues in addition to her diabetes, but was not comfortable talking to a counselor. Her endocrinologists scheduled weekly telehealth appointments with her to monitor and counsel her. After several weeks she felt more confident and comfortable, so he transferred her care to local therapists, while continuing to see her for her diabetes via telehealth.

* A six-week-old baby in Northern Missouri with a serious heart problem (heart rate of 260 beats per minute) was co-managed via telehealth by a very good, but nervous rural physician until medical air transportation arrived.

* A young woman with diabetes in southeast Missouri had a primary care provider in Kennett but she had a hard time getting there for follow ups and care. Her diabetes was not controlled but she could not get to Columbia or anywhere else to get treated. Appointments were set up via telehealth and endocrinologists helped her primary care provider treat her.

* An elderly woman in Northern Missouri who had surgery at the University of Missouri hospital told her surgeon she could not return for follow-up due to economic reasons as well as having no reliable access to transportation. The telehealth network was then used to follow her post-surgical condition at her local hospital.

* Many patients who were treated unsuccessfully over a period of months or years were successfully treated in one telehealth visit with a dermatologist. This speaks not only to the cost of the failed attempts, but the patient's quality of life during the unsuccessful treatment period because they had no access to a dermatologist.

* Telehealth allowed access to health care for a frail elderly woman in a nursing home whose health severely limited her ability to be transported. She was able to see her doctor in a room down the hall instead of taking a four-hour ride to another facility and possibly returning to the nursing home with other problems brought on by the stress of the travel.

III. PERFORMANCE AND ACTIVITY MEASURES

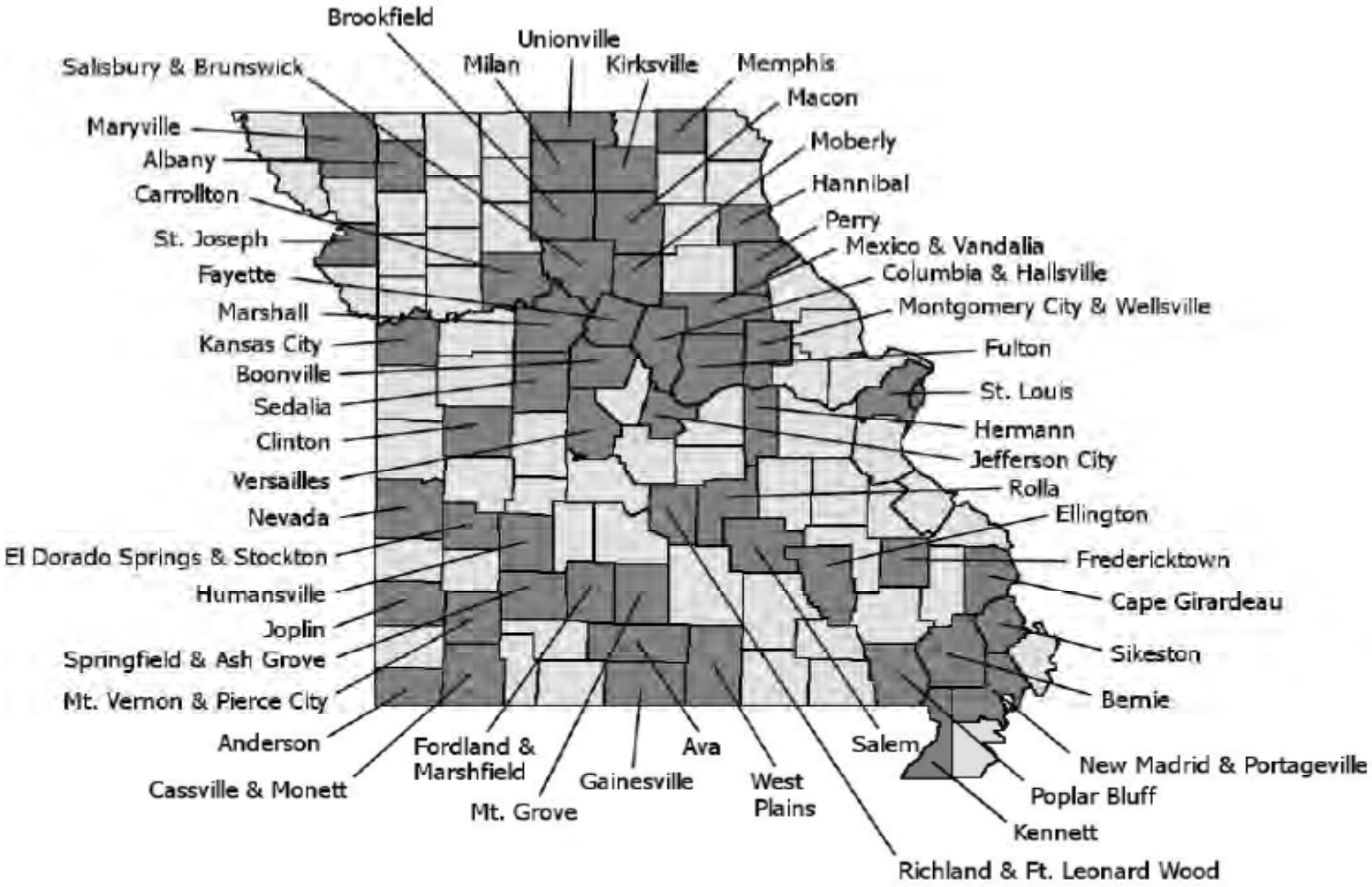
The following are examples of cost saving measures for Missouri Telehealth Network (MTN):

A study with Phelps Regional Homecare, the University of Missouri-Columbia School of Medicine and Health Management and Informatics showed a cost savings associated with providing services using telemedicine monitoring versus standard delivery of home health services of $116,750 for six months, with 47 telehomecare clients. Cost reductions came from personnel, travel, and hospitalization, with the vast majority associated with hospitalization of clients. Telemedicine clients had fewer hospital admissions (18 vs. 23 admissions) and shorter length of stays (6.1 vs. 7.6 days). Also, telehealth clients required fewer re-hospitalizations during their enrollment with home health (11 re-hospitalizations for telehealth clients vs. 16 re-hospitalizations for non-telehealth clients).

More than 1,100 hours of Educational usage was reported for FY2011 over MTN. This includes approximately 825 hours of primarily undergraduate and graduate education for health professionals, with some additional faculty and staff education. Approximately 275 hours of continuing medical education (CME) programs were broadcast to health care professionals across the state. MTN broadcasts weekly hour long Grand Rounds from the University of Missouri, with CME credits available, for Child Health, Internal Medicine, Cardiovascular Medicine, Psychiatry and Orthopedic Surgery. Compliance & Quality and Oncology are broadcast monthly and Health Ethics quarterly. The Outreach CME program, Department of Rural Health, schedules and broadcasts presentations for specific MTN sites based on identified needs. Although these presentations are set up for a specific site, any interested MTN site can participate. The Center for Emergency Response and Terrorism at the Missouri Department of Health and Senior Services, in cooperation with the University of Missouri and the Missouri Telehealth Network, provides an annual series of bioterrorism educational offerings. Four trainings are provided yearly via the Missouri Telehealth Network to physicians, nursing personnel and Emergency Medical Technicians for continuing education credit. In FY2011, 4 presentations were scheduled, but one had to be cancelled due to the Joplin tornado and could not be rescheduled. A total of 64 participants attended the 3 sessions.

Additional measures are provided in the program description.
The map on the following page shows the cities that currently have telehealth sites.

Missouri Telehealth Network Site Map



PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - Missouri Telehealth Network

1. What does this program do?

The Missouri Telehealth Network (MTN) exists:
1. to increase access to health care for underserved Missourians;
2. to provide specialty care to Missourians in state facilities, i.e.. Marshall Habilitation Center;
3. to further homeland security efforts related to bioterrorism, disaster, and pandemic preparedness and response;
4. to serve as a resource (consultant) for health care institutions and providers who are embarking upon their own telehealth program;
5. to provide a mechanism for clinical research; and
6. to provide continuing educational opportunities for health care providers.

The Missouri Telehealth Network currently has 247 sites statewide in 61 counties and the City of St. Louis. In 2011, 69 medical professionals in 29 specialties conducted more than 15,386 clinical encounters via telehealth. Missouri Telehealth Network sites include hospitals, federally qualified health centers, rural health clinics, community mental health clinics, state facilities, an army hospital, two schools of medicine, a school of nursing, the Missouri Department of Health and Senior Services and many other types of health care facilities.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

MTN is a component of the University of Missouri Healthcare and falls under these statutes - Section 172.810 - 172.830, RSMo.

3. Are there federal matching requirements? If yes, please explain.

No federal matching requirements.

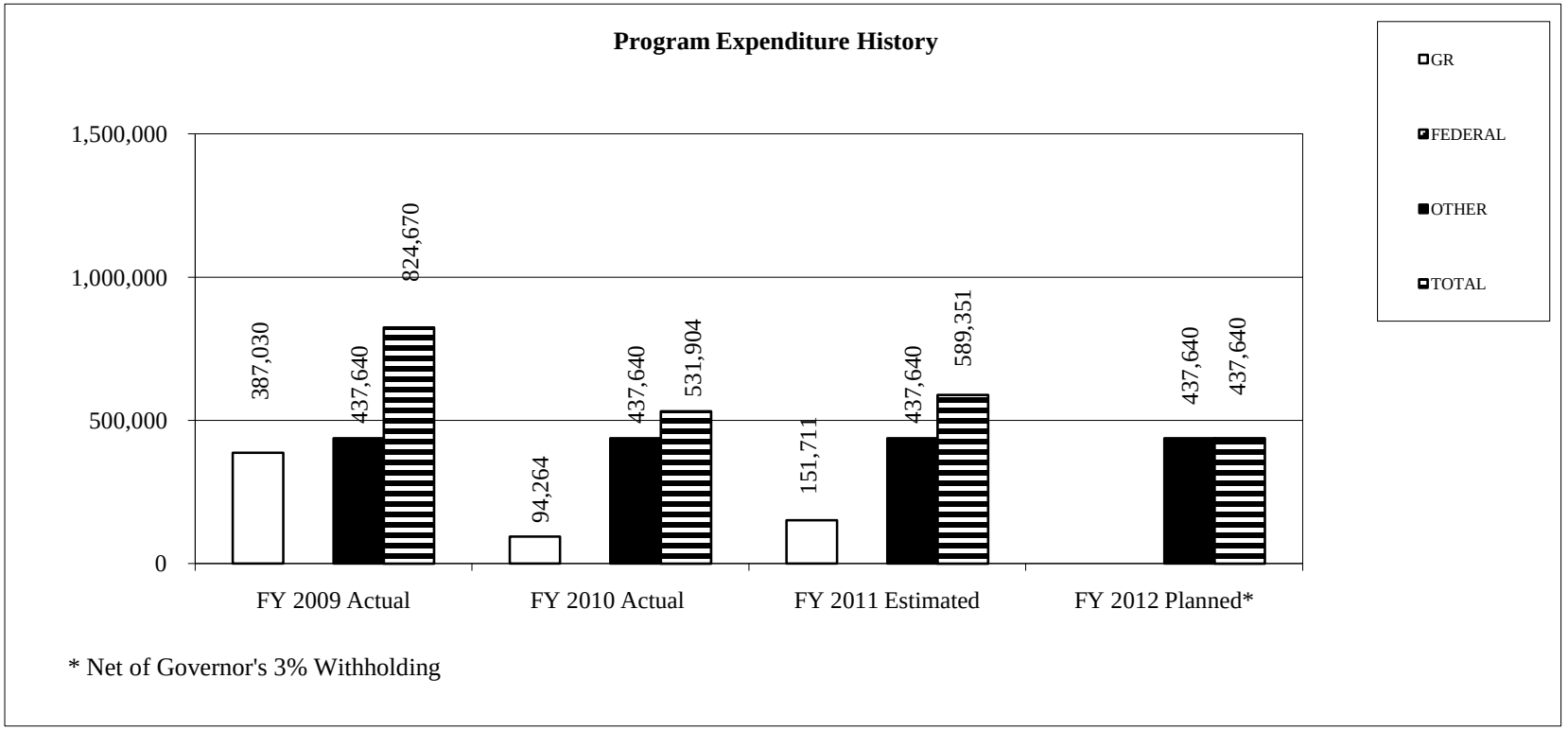
4. Is this a federally mandated program? If yes, please explain.

This is not a federally mandated program.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - Missouri Telehealth Network

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



* Net of Governor's 3% Withholding

6. What are the sources of the "Other " funds?

Other appropriated funds are from Healthy Families Trust Fund. In addition, other non-state funds to support the Telehealth mission are provided by University of Missouri Health Care, and federal, state, and other agency grants.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - Missouri Telehealth Network

7a. Provide an effectiveness measure.

Between July, 2010 and June, 2011 approximately two thousand round trips from rural areas of Missouri to University of Missouri specialists' clinics were avoided resulting in saved fuel costs of over $138,370 and more than 274,000 miles of travel were avoided. This is the result of the availability of telehealth to these rural communities. (Data is from Missouri Telehealth Network Encounters, whose providers are employed by the University of Missouri, was collected to reveal that utilization of telehealth saved Missourians significant travel time and dollars. These calculations use the average of the two federal mileage reimbursement rates - 50¢ per mile and 51¢ per mile.)

	MO HealthNet Patients	All Encounters
Number of Trips Avoided	1,000	2,000
Number of Miles Avoided	137,000	274,000
Total Dollars Saved	$69,185	$138,370

Approximately 50% of Telehealth patients are MO Health Net participants in both the managed MO HealthNet and direct MO HealthNet programs.

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - Missouri Telehealth Network

7b. Provide an efficiency measure.

Telehealth has many cost saving implications for providers. Burrell Behavioral Health and Pathways Community Behavioral Health are cost saving examples through the use of telepsychiatry. The combined windshield time of transportation if the psychiatrists drove to their location is around 4,785 hours/yr. This windshield time reflects time that the psychiatrists would lose seeing patients if it weren't for the use of telepsychiatry. The reduction of windshield time from the use of telepsychiatry results in an annual overall savings of approximately $598,150/year to Burrell Behavioral Health and Pathways Community Behavioral Health. The cost savings through the use of Telehealth are significant and have the ability to save providers a great deal.

7c. Provide the number of clients/individuals served, if applicable.

Number of telehealth encounters provided to patients

Year	Number
2007 Actual	2,892
2008 Actual	3,660
2009 Actual	4,104
2010 Actual	6,703
2011 Actual	15,386
2012 Projected	17,000

Number of Continuing Medical Education credits awarded to health care professionals

Year	Number
2007 Actual	175
2008 Actual	286
2009 Actual	332
2010 Actual	500
2011 Estimated	500
2012 Projected	500

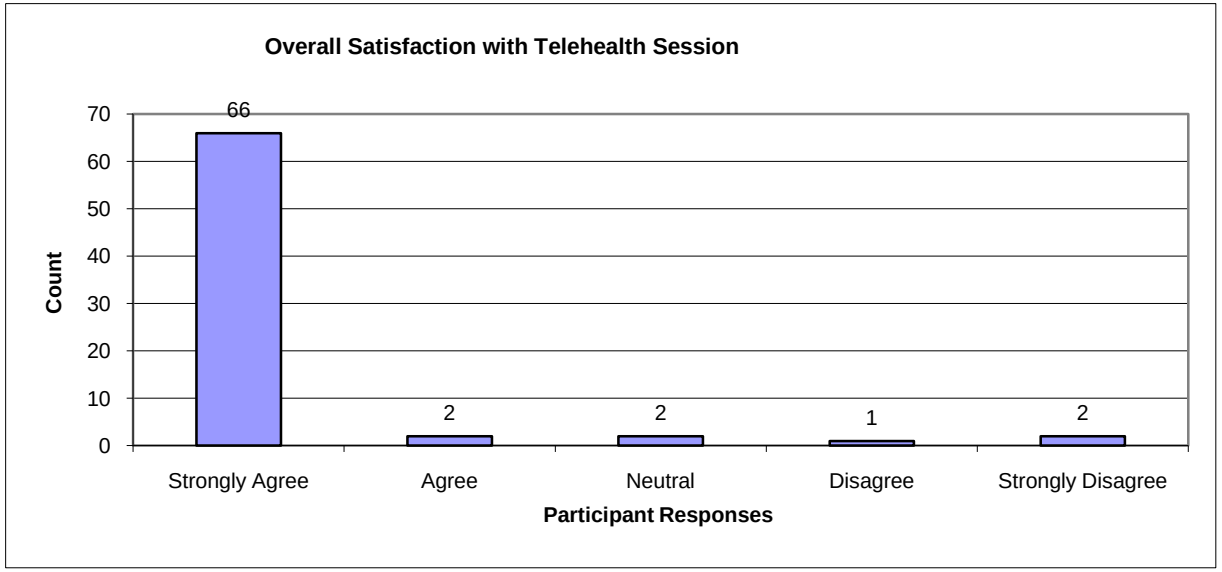
Number of teleradiology interpretations provided to patients

Year	Number
2007 Actual	13,129
2008 Actual	13,130
2009 Actual	8,630
2010 Actual	12,089
2011 Actual	13,168
2012 Projected	14,000

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - Missouri Telehealth Network

7d. Provide a customer satisfaction measure, if available.

Satisfaction data was collected using a Patient Questionnaire of those utilizing the telehealth equipment. The chart below represents the satisfaction of the patients who utilized the telehealth equipment.



Comments from rural providers about the telehealth services were favorable, indicating it was advantageous to connect from their clinic, and the information was very useful. "Appreciated the Telehealth Network. Saved a lot of time, cured the problem." "I love it!!!!" "I thought I would be nervous in front of the screen but it was actually better than in person. Thank you." It has been a big help to see the wound specialist without all the traveling." "It works really well." "Thanks, we appreciate the services." "Very Nice!" "We appreciate this service very much." "We are very pleased with this service, Thank you!"

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Telehealth Network**
Decision Item Name: **Increase for Sustaining Quality and Service: $15,393**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This request is for state funds to provide an increase for sustaining growth, quality, and service. It includes an increase of $15,393 for sustaining quality and service. The Missouri Telehealth Network (MTN) plays a vital role in Missouri's health care system.

II. DESCRIPTION

The Missouri Telehealth Network (MTN) manages a 2 Gigabyte dedicated health care backbone and over 225 endpoint locations in Missouri. MTN provides direct patient care, including more than 7,000 patient encounters, saved 1.5 million miles of travel in FY2011. MTN also provides educational opportunities for health professionals and students in rural parts of Missouri where access to up-to-date programs is limited. Telehealth sites rely on the expertise and 24x7 management, monitoring, and troubleshooting service of MTN technicians. The MTN backbone is a valuable resource for broadband access and health information exchange as the state moves forward with health care reform.

The core reduction in state appropriation of 49% since FY2009 has impacted the services provided. MTN will use the remaining core funding and this increase for vital staffing, network maintenance costs, necessary equipment upgrades and replacement, and network transmission costs associated with the network. MTN provides ongoing technical support, training, troubleshooting, maintenance and software upgrades for telehealth sites and management of the backbone.

In order to sustain quality and service at current levels the MTN will require funds to offset the effects of increased operation costs. An adjustment of $15,393 for a 3% pay plan and associated benefit changes and 3% estimated increase in expenses on the state appropriation base is requested.

III. COST EXPLANATION

State Appropriations for Telehealth	$15,393
Total Increase from State Appropriation	**$15,393**

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: University of Missouri Alzheimer's Program
Program is found in the following core budget(s): University of Missouri - Alzheimer's Program

1. What does this program do?

The purpose of this program is to fund research that will advance knowledge concerning Alzheimer's Disease and related disorders. Alzheimer's Disease and other diseases result from significant destruction of brain tissues and are characterized by a decline of memory and other intellectual functions. Alzheimer's Disease is a particular problem in Missouri, a state with one of the largest elderly populations in the country.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 172.800 - 172.807, RSMo

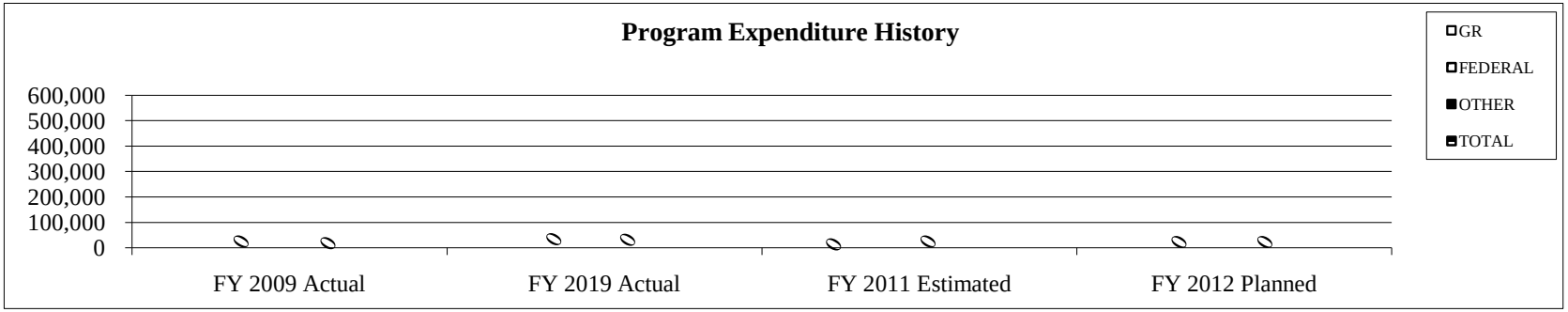
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



In FY2005 the program received and expended $206,770 in state appropriations. No appropriations have been provided for this program since FY2005.

6. What are the sources of the "Other " funds?

N/A

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: University of Missouri Alzheimer's Program
Program is found in the following core budget(s): University of Missouri - Alzheimer's Program

7a. Provide an effectiveness measure.

This program has not received funding since FY2005. In FY2005, 33 proposals for research were received and 7 were awarded.

7b. Provide an efficiency measure.

This program has not received funding since FY2005. In FY2005, $205,000 was awarded with an average award amount of $29,000.

NOTE: The amount awarded is the appropriated funds less 10% which is used (per statute) for program administration.

7c. Provide the number of clients/individuals served, if applicable.
N/A

7d. Provide a customer satisfaction measure, if available.
N/A

NEW DECISION ITEM REQUEST

ALZHEIMER'S PROGRAM
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **Other Curator Programs**
Decision Item Name: **Alzheimer's Program: $447,480**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Alzheimer's disease and other related diseases results from significant destruction of brain tissues and are characterized by a decline of memory and other intellectual functions. Alzheimer's disease is a particular problem in Missouri, a state with one of the largest elderly populations in the country. The purpose of this request is to fund research that will advance knowledge relating to Alzheimer's disease and related disorders.

II. DESCRIPTION

An advisory board will make research awards, consistent with the legislation, to investigators in public or private educational, health care, and research institutions and other voluntary health associations.

III. COST EXPLANATION

Senate Bill 200, passed in 1987, stipulates that the Board of Curators shall request annually an appropriation for Alzheimer's research of not less than $200,000 adjusted for inflation. In addition, the request is to include administrative costs not to exceed 10 percent of the appropriation for research.

The request for FY2013 is $447,480 based on $200,000 and a projected Consumer Price Index of 203.4. The request for research funds is $406,800 and the request for administrative funds is $40,680, 10 percent of the research amount.

IV. EVALUATION OF OUTCOMES

The university will require reports from funded investigators and will evaluate annually the extent to which this program achieves its programmatic objectives.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Spinal Cord Injury
Program is found in the following core budget(s): University of Missouri - Spinal Cord Injury

1. What does this program do?

This program provides support for research projects in Missouri that promote and advance knowledge in the areas of spinal cord injuries and congenital or acquired disease processes.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 304.027, RSMo

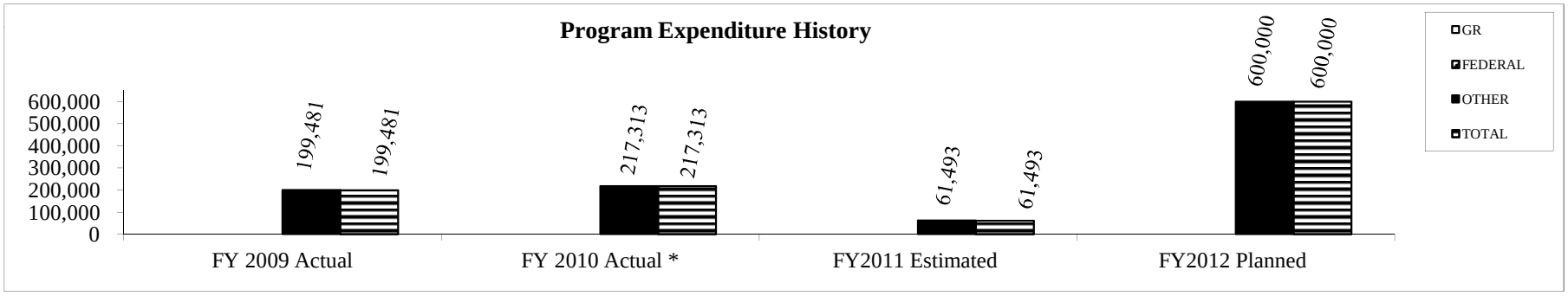
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



* FY2010 includes state appropriation receivable to cover FY2010 expenditures.

6. What are the sources of the "Other " funds?

Spinal Cord Injury Fund (0578)

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Spinal Cord Injury
Program is found in the following core budget(s): University of Missouri - Spinal Cord Injury

7a. Provide an effectiveness measure.

The Spinal Cord Injury Fund Program (SCI) was established in FY02. During FY02 potential members of an SCI Advisory Board were identified, nominated and approved by the University of Missouri Board of Curators. In FY03 the Advisory Board developed a list of organizations and institutions conducting spinal cord injury and treatment research. The Board then released a Call for Proposal and developed a web page to assist applicants in preparing proposals. The program's success will depend on the number of proposals that are awarded each year. Due to the legislative change increasing the allowed award amount, more proposals and awards are anticipated beginning in FY2012.

Proposals received vs proposals awarded

FY 09		FY 10		FY 11		FY 12		FY 13		FY 14	
Received	Awarded	Proj Rec'd	Awarded *	Proj Rec'd	Awarded	Proj Rec'd	Proj Award	Proj Rec'd	Proj Award	Proj Rec'd	Proj Award
6	3	4	5	4	1	8	6	8	6	8	6

* More awarded then received in FY10 because one award was received in FY09 but not awarded until FY10.

7b. Provide an efficiency measure.

The program did not award any research funds until FY04. In FY04 the Board reviewed and awarded 2 projects. Prior to legislation passed in FY10 session, project amounts could not exceed $50,000 per year.

Average award per proposal

FY 09		FY 10		FY 11		FY 12		FY 13		FY 14	
Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount
$144,044	$48,015	$202,600	$40,520	$44,443	$44,443	$560,000	$100,000	$560,000	$100,000	$560,000	$100,000

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM REQUEST

SPINAL CORD INJURY FUND
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **Other Curator Programs**
Decision Item Name: **Spinal Cord Injuries and Congenital or Acquired Disease Processes Research Program: $625,000 E**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Spinal Cord Injury Fund, established by the legislature in 2001, supports research in Missouri in the area of spinal cord injuries and congenital or acquired disease processes.

Congenital spinal cord abnormalities, such as spina bifida, include birth defects affecting the spinal cord. In addition to traumatic injuries to the spinal cord that lead to paralysis, acquired abnormalities could include Friedreich's ataxia, which manifests itself in teenage years and appears to run in families, as well as paralysis due to multiple sclerosis, polio, etc.

According to the National Spinal Cord Injury Statistical Center, approximately 265,000 persons in the United States are living with a spinal cord injury or dysfunction, with about 12,000 new cases each year. Most experts agree that this number is understated as cases involving instantaneous death, or death soon after injury, as well as those with little or no remaining neurological deficit or neurological problems secondary to trauma are not included. The majority (81 percent) of spinal cord injury victims are males. Most of the injuries result from motor vehicle accidents (40 percent), falls (28 percent), violence (15 percent), or sports injuries (8 percent).

II. DESCRIPTION

An advisory board will make research awards, consistent with the legislation, to investigators affiliated with a public or private educational, health care, voluntary health association or research institution.

III. COST EXPLANATION

State statute stipulates that the Board of Curators shall request annually an appropriation for research awards from the Spinal Cord Injury Fund. Senate Bill 987, passed in the 2010 legislative session provided an increase in research awards from the past $50,000 maximum to $250,000 per award. The request is composed of $600,000 for research funds and $25,000 for administrative funds.

IV. EVALUATION OF OUTCOMES

The university will require reports from funded investigators and will evaluate annually the extent to which this program achieves its programmatic objectives.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Seminary Fund

1. What does this program do?

This program provides income for the general operation of University of Missouri College of Agriculture and School of Mines and Metallurgy and for three scholarships that the Curators added to the Seminary Fund in 1909. Funding for the investments that distribute to Agriculture and Mines & Metallurgy were derived from four sources - the First and Second Morrill Acts of 1862 which granted acreage to fund "at least one college to teach agriculture and mechanical arts", US Congressional reimbursement to the state of Missouri for subsisting troops during the Civil War, and fees from the sale or lease of railway equipment in 1895. Funding for the scholarships was from gifts/bequests to the university and per Board of Curators decision these were added to the Seminary Fund. Per state statute the Seminary monies belong to the university but the state must hold the securities.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 172.610, RSMo

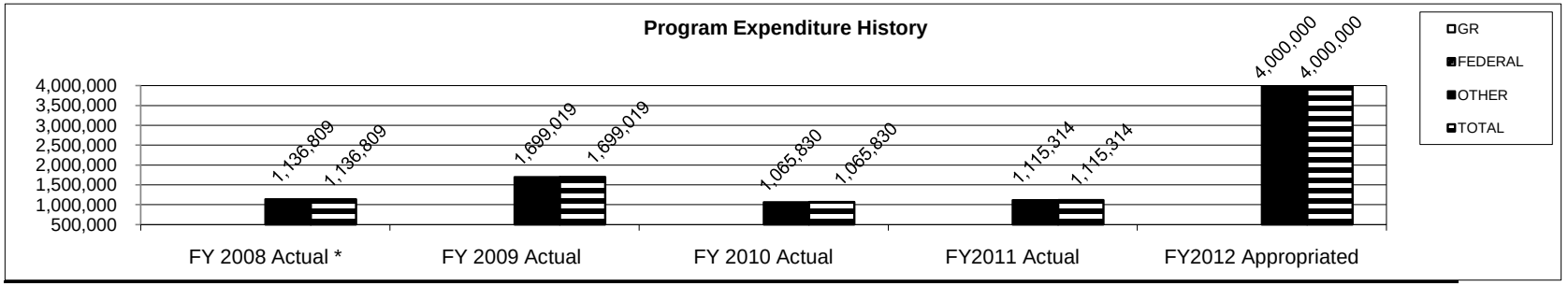
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

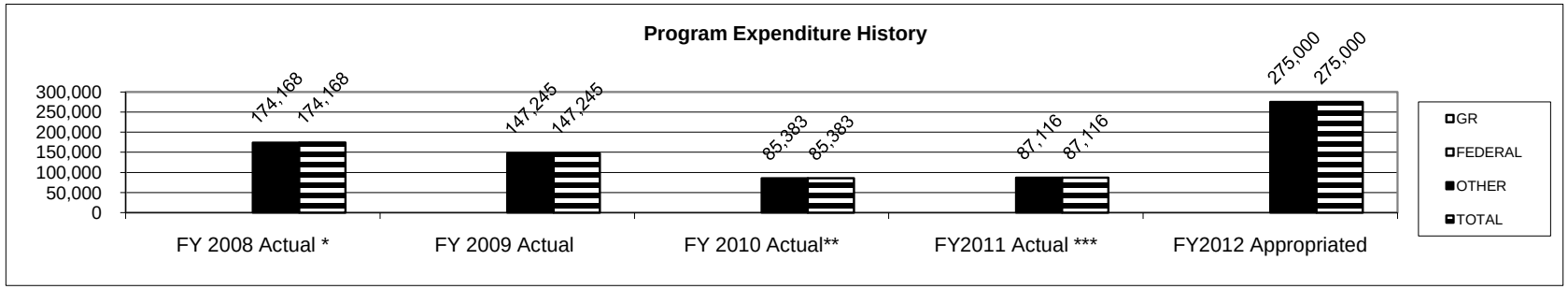
No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



The expenditures in the graph above represent investments made by the university. As the investment instruments mature the university requisitions funds appropriated by the General Assembly for re-investment of investment instruments.
* The purchase was made in FY2008 but the cash was received in FY2009.

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Seminary Fund

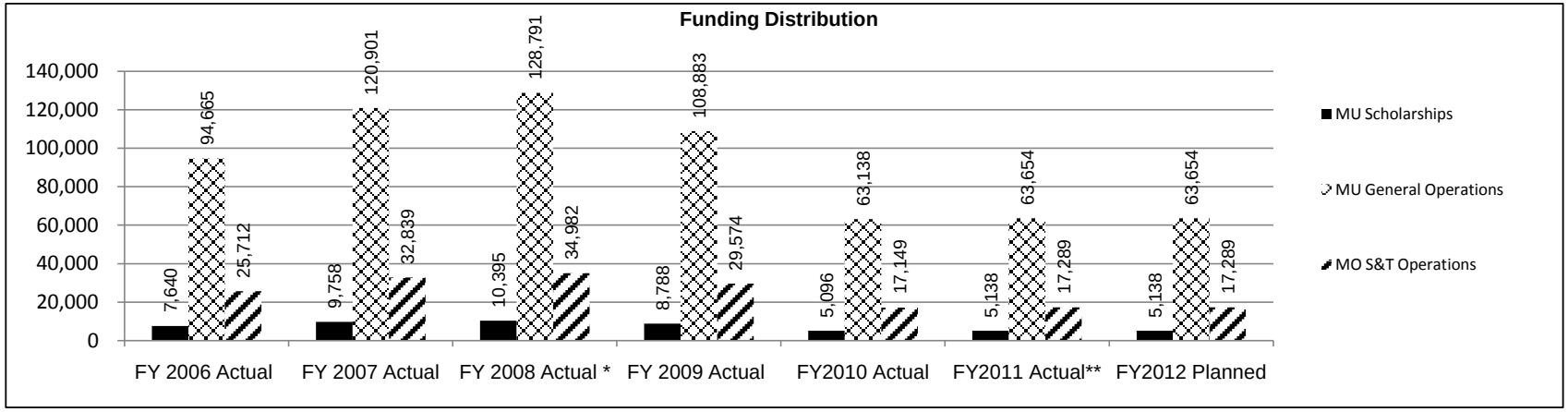


The expenditures in the graph above represent interest from investments made by the university. The interest is used to fund operations at University of Missouri-Columbia (MU) and Missouri University of Science and Technology (MO S&T) campuses and to fund some scholarships.
* Includes $61,862 of the FY2008 earnings that was received in FY2009.
**Does not include $19,974 of the FY2010 earnings that was received in FY2011
***Includes $19,974 of the FY2010 earnings that was received in FY2011

6. What are the sources of the "Other " funds?

State Seminary Fund (0872); State Seminary Money Fund (0623)

7a. Provide an effectiveness measure.



* Includes $61,862 of the FY2008 earnings that was distributed in FY2009.
**Includes $19,974 of the FY2010 earnings that was distributed in FY2011.
Actual and estimated receipts for FY2010-2012 are down due to market conditions including Treasury Bill rate decline.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Seminary Fund

7b. Provide an efficiency measure.
N/A

7c. Provide the number of clients/individuals served, if applicable.
N/A

7d. Provide a customer satisfaction measure, if available.
N/A

NEW DECISION ITEM REQUEST

STATE SEMINARY FUND
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **Other Curator Programs**
Decision Item Name: **Seminary Fund: $4,275,000**
Decision Item Rank: **1 of 1**

PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Seminary Fund was created for the support of the University of Missouri's College of Agriculture and the School of Mines and Metallurgy. This fund consists of proceeds from the sale of land donated to the State of Missouri, proceeds from the direct tax received from the United States, the James S. Rollins Scholarship Funds, etc.

The Board of Curators is the commissioner of the Seminary Fund, and all money and funds held in or received by it, with the exception of interest, shall be invested by the commissioner in registered bonds of the United States or the State of Missouri, bonds of school districts of the State of Missouri or other securities on which the United States fully guarantees payment of not less than par value.

The State Treasurer is the custodian of the Seminary Fund and is not authorized to disburse any of these funds except upon a warrant drawn by the State Commissioner of Administration in accordance with the requisition made by the Board of Curators. The State Treasurer is empowered to collect the interest on bonds when due, credit the Seminary Fund and pay the Board of Curators the annual income received in the Seminary Funds upon requisition by the Board of Curators.

For FY2013 the university is requesting $4,000,000 in principal that will need to be reinvested during the fiscal year in Government Securities held in the Seminary Fund and $275,000 in earnings from principal held in the Seminary Fund.

	FY2011 Appropriation	FY2012Appropriation	FY2013 Request
To Cover Investment in Government Securities	$3,000,000	$4,000,000	$4,000,000
To Cover Investment Earnings from Principal Held in the Seminary Fund	$250,000	$275,000	$275,000

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Missouri Returning Heroes Education Act: State Request $1,418,780**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is requesting additional appropriation equivalent to the tuition waived in FY2009 - FY2011 for the Missouri Returning Heroes Education Act.

II. DESCRIPTION

The Missouri Returning Heroes Education Act, RSMo Section 173.900, became law on August 28, 2008. This law provides that all public institutions of higher education that receive state appropriated funds shall limit the amount of tuition charged to combat veterans to fifty dollars per credit hour as long as the veteran achieves and maintains a grade point average of 2.5 on a 4.0 scale, is enrolled in a program leading to certification or degree, and is attending in the ten year period following the last discharge from service. The law also provides that institutions may report the amount of tuition waived in a fiscal year and include the amount in the following year's appropriation request.

III. COST EXPLANATION

Campus	Students	Fees Waived
Columbia	259	$ 629,437
Kansas City	128	352,761
Rolla	16	71,692
St. Louis	161	364,890
Total	564	$1,418,780

Total Increase from State Appropriation $1,418,780

The request is for FY2009 - FY2011 actual costs and reflects student headcounts and tuition waived for fall, winter, and summer semesters. The student counts are the individual unduplicated counts for each year.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

State Historical Society of Missouri

	FY2010 Actual	FY2011 Actual	FY2012 Core Planned & FY2013 Core	Increase for Sustaining Quality & Service	FY2013 Request
EXPENDITURES:					
Program Operations	$1,161,476	$1,190,777	$1,999,739	$85,399	$2,085,138
Total Expenditures	$1,161,476	$1,190,777	$1,999,739	$85,399	$2,085,138
FTE Employees	22.0	22.0	43.0 *		43.0
SOURCES OF FUNDS:					
State Appropriations	$1,049,476	$1,190,777	$1,227,605	$85,399	$1,313,004
Other Sources (One-time)	112,000		172,134		244,061
UM Memo Of Understanding			600,000		528,073
Total Sources	$1,161,476	$1,190,777	$1,999,739	$85,399	$2,085,138

* FTE increase reflects staff transfer associated with additional responsibilities of managing Western Historical Manuscript Collection.

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

State Historical Society of Missouri

	FY2010 Actual		FY2011 Actual		FY2012 Planned & FY2013 Core		Increase for Sustaining Quality & Service	FY2013 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching and Research	1.0	$74,850	1.0	$78,788	1.0	$128,445	$3,853	1.0	$132,298
Exec., Admin., Managerial	1.0	69,330	1.0	72,979	1.0	75,978	2,279	1.0	78,257
Professional	15.0	556,230	15.0	537,963	23.0	929,971	27,899	23.0	957,870
Office	4.0	103,608	4.0	119,396	6.0	189,167	5,675	6.0	194,842
Service	1.0	24,538	1.0	26,635	0.0	0	0	0.0	0
Part Time & Students	0.0		0.0		12.0	148,036	4,441	12.0	152,477
Staff Benefits		233,789		248,138		433,142	$38,402		471,544
Total Personal Services	22.0	$1,062,345	22.0	$1,083,899	43.0 *	$1,904,739	$82,549	43.0	$1,987,288
EXPENSE AND EQUIPMENT:									
Library Acquisitions									
Reserve and withholdings						$36,828			
All Other		$99,131		$106,878		95,000	$2,850		$97,850
Total Expense & Equip.		$99,131		$106,878		$95,000	$2,850		$97,850
Grand Total	22.0	$1,161,476	22.0	$1,190,777	43.0	$1,999,739	$85,399	43.0	$2,085,138

* FTE increase reflects staff transfer associated with additional responsibilities of managing Western Historical Manuscript Collection.

CORE BUDGET REQUEST ANALYSIS
FORM 4

STATE HISTORICAL SOCIETY OF MISSOURI

I. MISSION STATEMENT

The State Historical Society of Missouri is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of the state and the Middle West.

II. PROGRAM DESCRIPTION

Founded in 1898 by the Missouri Press Association and a trustee of the state since 1899, the State Historical Society of Missouri is the premier research center for the study of Missouri state and local history. The Society preserves and provides access to reference materials and historical collections through research centers on each of the four campuses of the University of Missouri system: Columbia, Kansas City, Rolla, and St. Louis. The Columbia research center also houses a significant art collection with ongoing and varied exhibitions and serves as the administrative headquarters for the Society's four branches. The Society's facilities comprise reference, newspaper, manuscript, art, map, photograph, and oral history collections. Users include students from elementary school through graduate school, academicians, historians, genealogists, journalists, lawyers, government staff, writers, and members of the public researching a variety of topics. The Society also provides public programming through art exhibitions, workshops, tours, and lectures. Publications include a scholarly quarterly journal, a quarterly newsletter, and, on average, one book per year on a Missouri history topic.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2011	FY2012	FY2013
Research Contacts (letters, fax, e-mail, phone)	12,432	13,054	13,707
Researchers On-site	5,619	5,675	5,732
Art Gallery Attendance	4,017	4,057	4,098
Tours, Events, Staff Presentations	151	153	155
Tours, Events, Staff Presentations Attendance	3,032	3,062	3,093
Students Participating in National History Day contests	2,195	2,217	2,239
Web Site Visitors	376,201	413,821	455,203
Exhibits and Displays Produced	19	20	21
Membership	4,844	4,892	4,941

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Historical Society

1. What does this program do?

The State Historical Society of Missouri collects, preserves, makes accessible, and publishes materials pertaining to the history of Missouri, and the Middle West. The Society's facilities comprise reference, newspaper, manuscript, art, map, photograph, and oral history collections. Use of these facilities is free and open to the public. In addition to these research facilities, the Society publishes a scholarly quarterly journal, the *Missouri Historical Review*, a quarterly newsletter, and, on average, one book per year on a Missouri history topic. The Society is the sponsor for National History Day in Missouri. The program annually attracts thousands of Missouri students in grades 6-12 to research historical topics based on an annual theme and prepare papers, performances, exhibits, Web sites, or documentaries based upon their research. The Society also provides public programming for adults interested in historical research and Missouri history through art exhibitions, workshops, tours, and lectures.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 183.010 - 183.030, RSMo

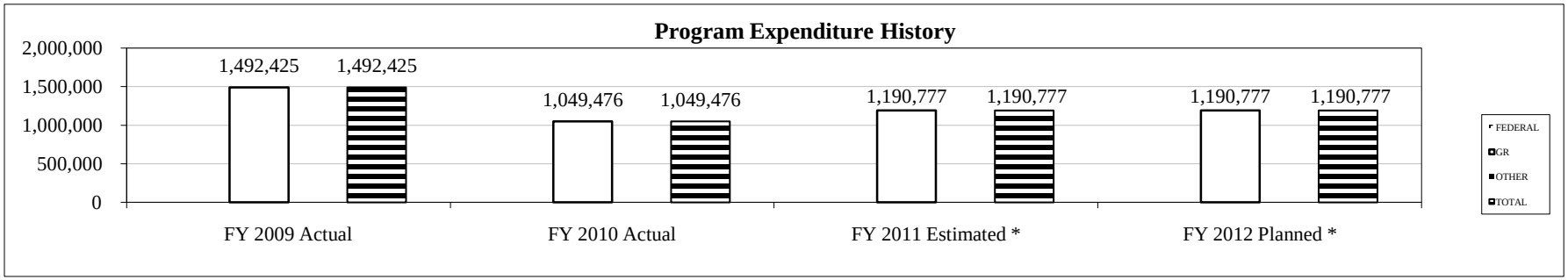
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



*Net of Governor's 3% Withholding

6. What are the sources of the "Other " funds?

All of the Society's appropriations are from General Revenue. However, the Society has a Membership Trust Fund that helps to support its mission and starting in FY2012 there is a memorandum of understanding with funding from the University of Missouri System.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Historical Society

7a. Provide an effectiveness measure.

How many individuals use Society resources on-site and attend Society events? (redefined to include events)

FY2010 Projected	FY2010 Actual	FY2011 Projected	FY2011 Actual	FY2012 Target	FY2013 Target	FY2014 Target
12,157	10,056	10,157	14,863	15,012	15,162	15,314

How many research contacts does Society staff have via phone, letters, e-mail, and fax? (redefined to research-related contacts)

FY2010 Projected	FY2010 Actual	FY2011 Projected	FY2011 Actual	FY2012 Target	FY2013 Target	FY2014 Target
20,754	31,146	32,703	12,432	13,054	13,707	14,392

7b. Provide an efficiency measure.

What is the average number of on-site researchers and visitors assisted by each member of the reference staff?

FY2010 Projected	FY2010 Actual	FY2011 Projected	FY2011 Actual	FY2012 Target	FY2013 Target	FY2014 Target
1,520	1,260	1,270	1,031	1,041	1,051	1,062

7c. Provide the number of clients/individuals served, if applicable.

How many individuals does the Society assist and have contact with? (Change in software changed how Web site visits were counted.)

FY2010 Projected	FY2010 Actual	FY2011 Projected	FY2011 Actual	FY2012 Target	FY2013 Target	FY2014 Target
281,443	701,300	1,051,950	403,496	407,531	411,606	415,722

NEW DECISION ITEM REQUEST

STATE HISTORICAL SOCIETY OF MISSOURI
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **State Historical Society of Missouri**
Decision Item Name: **Increase for Sustaining Quality and Service: $89,170**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This request is for state funds to provide an increase for sustaining quality and service. It includes an increase of $89,170 for sustaining quality and service.

II. DESCRIPTION

The State Historical Society of Missouri exists to collect, preserve, make accessible, and publish materials pertaining to the history of the state, Middle West, and the West. The core reduction of 24% since FY2009 has had a significant impact to the services provided. It has required the elimination of approximately 40% of the Society staff, which has resulted in a further backlog of preserving, microfilming, digitizing, and making accessible to patrons and researchers the Society's extensive newspaper library, as well as reduced the ability to catalog, process and make available other historical materials, including manuscripts. Reduction in staff size has dramatically increased the workload of remaining staff members. This increased workload more than justifies a 3% pay increase.

The funding situation becomes even more problematic when adjusted for inflation. The State Historical Society of Missouri continues to incur higher costs to deliver its services to the public in spite of efforts to be more efficient and control costs. There are fixed cost increases associated with insurance, library materials, information technology equipment, and supplies and services. Lack of additional funding limits the ability of the State Historical Society of Missouri to sustain the quality and level of its services, much less expand its services for the citizens of Missouri.

State Historical Society of Missouri will require funds to offset the effects of increased costs of operation. An adjustment for a 3% pay plan and an inflationary increase on benefits and expenses is requested to maintain a highly skilled and professional staff and to respond to the growing demand for patron services. The personnel policies are the same for these programs as for the general operations of the university.

III. COST EXPLANATION

Increase for Sustaining Quality and Service	$89,170
Total Increase from State Appropriation	**$89,170**